



# 2024 Draft General Fund Operating Budget

*Finance Committee – June 28<sup>th</sup>, 2023*



# 2024 General Fund Operating Budget

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## 2024 Operating Budget Kick Off

### 2024 Operating Budget Process

- June and August Finance Committee – Service Areas have prepared budgets based on 2023 service levels. “Receive and File”
- August or September Finance Committee – The results from “Shape your Budget” engagement will be shared with Committee members. “Receive and File”
- September Finance Committee – Service Base Budgets will be presented. “Receive and File”
  - This will provide current level of service
  - Cost of providing the service
  - How many Full Time Staff Equivalents (FTE’s) are required to provide the level of service

# 2024 General Fund Operating Budget

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## 2024 Operating Budget Process - continued

- October – Draft Operating Budget Presented to Finance Committee – “Receive and File”
- Late October/Early November – Operating Budget to Finance Committee for Approval and recommendation to Common Council for “Receive and File”
- Final approval of the Operating Budget by Common Council  
November/December



**BUDGET**  
**APPROVED**

# 2024 General Fund Operating Budget

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## 2024 Operating Budget Process - Summary

- Budget presentations in June/August, Shape Your Budget Results, Service Based Budget Presentations, First Draft of Operating Budgets are all receive and file, therefore no final decisions need to be made.
- This process is a transparent and robust process and will allow Committee members the opportunity to dive into various service areas, gain a greater understanding of current service levels, the cost and resourcing of various services.
- There will be plenty of opportunity to discuss, debate and consider current service levels, funding of services and potential service enhancements as we move through the 2024 Operating Budget process.

# 2024 General Fund Operating Budget

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- The purpose of today's presentation is to provide Finance Committee a high-level overview of each of the City's Service Area's 2024 Operating Budget. The budgets are baseline budgets based on a 3.35% tax rate growth. Service areas will focus on key priorities, initiatives and variance explanations.
- Areas will discuss potential service enhancements to be considered by Finance Committee/Common Council above the baseline budget.
- These presentations will provide Finance Committee opportunity to ask questions of each service area regarding budgets. If members wish to obtain additional information from Service Areas, requests can be made to have service areas return to the Committee.
- The following service areas will overview of their 2024 Operating Budget today.
  - Strategic Services
  - Corporate Services
  - Utilities and Infrastructure Services
  - Saint John Board of Police Commissioners
  - Transportation and Environment Services
- These service areas will present at the next meeting of the Finance Committee – August 9<sup>th</sup>
  - Growth and Development Services
  - Saint John Fire Department
  - Saint John Water
  - Saint John Transit Commission

# 2024 General Fund Operating Budget

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Assumptions for the current draft 2024 Operating Budget

## First note – “2024 Draft Budget is Balanced”

### Revenues

- Property Tax – 3.35% increase over 2023
- Unconditional Grant - \$500K reduction over 2023 due to loss in Core Funding announced in 2022
- Regional Service Commission – one time grant received in 2023, not anticipated in 2024
- New Revenues – additional \$1M earmarked from a new potential Recycling program

# 2024 General Fund Operating Budget

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## Assumptions for the 2024 Operating Budget

### Expenditures

- Service areas submitted budget based on current service levels in the 2023 Operating Budget
- Much of the increase in goods and services relates to the inflationary pressures over the past year.
- Additional Funding/Service Enhancements included for consideration above baseline budget being presented.

# 2024 General Fund Operating Budget

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## 2024 Operating Budget Uncertainty

- Draft Operating Budget being presented has several items that are unknown or cannot be determined until later in 2023
  - Property Tax assessment figure for 2024
  - Unconditional grant
  - Budgets from Fundy Regional Service Commission
  - Impact of City Market Strategic Plan
  - Industrial Parks Catalytic Project
  - Extended Recycling Program
  - Recreation Subsidization Review
  - Success of Housing Accelerator Funding
  - Impact on Transit Subsidy with City Fleet sharing cost with move to Transit Facility



# 2024 General Fund Operating Budget

## The City of Saint John 2024 Draft General Fund Operating Budget



	<b>2023 Budget \$</b>	<b>2024 Budget \$</b>
<b>Revenues</b>		
Property Taxes	142,105,410	146,865,941
PILT Adjustment	64,323	-
Equalization & Unconditional Grant	15,321,432	14,821,432
Regional Services Grant	546,630	-
Surplus 2nd Year Previous Year	1,753,145	2,335,841
Transfer from Operating Reserves	800,000	-
Revenue from Own Sources	16,696,560	20,408,104
<b>Total Revenues</b>	<b>177,287,500</b>	<b>184,431,318</b>

# 2024 General Fund Operating Budget

## The City of Saint John 2024 Draft General Fund Operating Budget



	2023 Budget \$	2024 Budget \$
<b>Expenditures</b>		
Growth & Community Services	18,580,740	19,001,178
Public Works & Transportation Serv	41,715,344	45,377,584
Public Safety Services	59,633,669	62,065,786
Utilities & Infrastructure Services	6,994,893	7,210,424
Strategic Services	7,917,074	8,330,096
Corporate Services	7,443,378	7,787,822
Other Charges	35,002,402	34,658,429
<b>Total Expenditures</b>	<b>177,287,500</b>	<b>184,431,318</b>

# 2024 General Fund Operating Budget

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Revenues - \$184,431,318 – 4.03% increase over 2023

- Property Taxes – 3.35% increase
- Equalization & Unconditional Grant - \$500K Reduction, core funding to be eliminated by 2027
- Regional Service Grant – \$546,630 reduction due to one-time grant in 2023
- Prior year surplus – full amount transferred to capital reserve to fund future recreation facility
- Revenue from Own Sources – 11.065% of revenues – Strategic Plan target is 10%
  - Increases in Short Term Interest
  - Parking Revenue Increases – Residential parking permits, bylaw ticket increases, all off street has increases built in
  - New Revenue included for extended recycling program.

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Expenditures

Service areas are ready to present!

Any questions regarding revenue assumptions before moving on to Service Area Presentations?

