

**Communication 134126**

Received from: Trisa McConkey, CPA, CGA, Treasurer  
Addressed to: Council  
Date: December 5, 2023  
Topic: 2024 Budget Approval

**SUMMARY:**

Staff has prepared the enclosed draft Budget for 2024 which currently requires a 2.25% increase to tax rates.

**COMMENT:**

The 2024 budget working papers were circulated to staff in June so that Staff could prepare their departmental budgets based on previous Ten-year Capital Plans, the Strategic Plan, and the Asset Management Plan. Direction was provided by Treasury staff with respect to payroll, lease, and insurance expenditures.

Since the original submissions were received, Managers met to refine the amounts requested, and Council spent a full day reviewing departmental budget requests and making changes. At the November 21, 2023, Committee of the Whole meeting, staff presented the final version of the budget to the public for comment. The public presentation, 2024 capital plan, 10-year asset management plan, 10-year strategic and growth project plan and a link to a recording of the full-day meeting with Council was posted on the Town’s website and advertised through social media with an invitation to provide comments to the Treasurer by November 30<sup>th</sup>, 2023.

The following table shows changes to budgeted amounts since the presentations to Council on November 9, 2023:

ITEM	AMOUNT
Summer Student – Building Inspection	\$15,000
Funding from Building Inspection Reserve	(15,000)
Summer Student – Planning	15,000
Funding from Administration Reserve	(15,000)
<b>TOTAL</b>	<b>\$0</b>

The final budget request is for a levy of \$15,083,860 from taxation for 2024; an 8.93% increase over the 2023 tax levy of \$13,831,043. Of the \$1,214,166 increase, \$920,898 will be covered by growth leaving a real tax increase of 2.25%.

**PUBLIC COMMENTS/QUESTIONS**

A vacant home tax is a mechanism within the Municipal Act to apply an extra tax to homes that remain vacant. A few, very large cities across Canada, have implemented a vacant tax in recent years hoping to encourage property owners to rent or sell the

vacant homes in their possession. These programs come with a large administrative burden, and it is not yet clear whether the tax produces the outcomes they were designed to provide. Some of these municipalities have experienced severe push back from residents.

Regarding a suggestion to implement a vacant home tax in Carleton Place, Council has indicated to the Treasurer that, with the quantity of work already planned in the 2024 budget, they do not wish staff to pursue it at this time.

The following comments were received after those reported on during the public presentation:

1. *I am writing to propose the establishment of a reserve budget specifically tailored to address the needs of our diverse community. As our community continues to grow and evolve, it has become increasingly evident that allocating funds to cater to the varying needs, cultures, and backgrounds of our residents is paramount.*

*Diversity enriches our community, yet it also brings unique challenges and opportunities. By implementing a reserve budget, we can proactively address these challenges while celebrating the richness of our diverse population.*

*This proposed reserve budget would aim to support initiatives such as cultural events, language programs, inclusivity workshops, and other activities that foster understanding, promote equality, and empower all members of our community.*

*By investing in this reserve budget, we not only prioritize inclusivity but also demonstrate our commitment to ensuring that everyone in our community feels valued and supported. Your support in considering this initiative would be invaluable to our community's future growth and cohesion.*

2. *As a member of diverse community it's very important for us to arrange different events, functions and Celebrates festivals.*

*In previous years without fund we were getting hard time to arrange everything at full flag. This fund helps us to build community connections.*

*Let us know if there is anything you need from us and looking forward to hearing from you after December meeting.*

Generally budget requests come with specific details so Council can make an informed decision about what they are approving. Staff do not recommend creating a “reserve fund” for miscellaneous event funding but rather suggest that event budget requests are to be made, as they have been in the past, with full details of the suggested event and are submitted in time for full budget discussions each year. Staff’s response will include contact information for the Community Enrichment Grant Program.

**FINANCIAL IMPLICATIONS**

The 2024 budget requires a 2.25 % tax rate increase after growth has been taken into consideration. Depending on County and School Board rate changes, and property assessment changes, this increase in the municipal tax rate may result in either a higher or lower overall tax rate for taxpayers.

**STAFF RECOMMENDATION**

THAT the 2024 budget be approved based on a 2.25% tax rate increase for municipal purposes.