



REQUEST FOR A DECISION

City Council – November 27, 2023

To: Her Worship Mayor Kate Rogers and members of City Council
From: Alicia Keating, Assistant Director – Corporate Services/City Treasurer
Date: November 22, 2023
Title: 2024 Budget Resolutions

ISSUE:

Resolutions from the October 10, 2023 Water & Sewer Budget meeting and the November 20, 2023 General Fund Budget meeting require adoption by Council in order to submit 2024 budgets to the Province of New Brunswick.

RECOMMENDATION(S):

A. Recommendation:

It is recommended that City Council adopt the following resolutions: 1) BE IT RESOLVED THAT the Council of the City of Fredericton hereby directs the City Treasurer to develop the Long-Term Financial Plan for review and consideration by City Council based on the following tax rate adjustment strategy: a) Increase the tax rate for newly amalgamated areas at a rate of five (5) cents per year, beginning in 2024, such that the tax rate for each sub-unit (being Saint Mary's LSD, Former LDS, and Lakeside Estates) becomes equal to 95% of the applicable Inside tax rate; and, b) Increase the tax rate for properties on the outside rate at a rate of five (5) cents per year, beginning in 2024, such that the tax rate for outside areas becomes equal to 95% of the applicable Inside tax rate. 2) BE IT RESOLVED THAT the Council of the local government of The City of Fredericton approves and authorizes the General Fund Operating Budget for 2024, being: The sum of \$168,217,884 be the total operating budget of the local government, that the sum of \$148,212,547 be the Warrant of the local government for the ensuing year, and that the tax rate(s) for the Municipality be: Fredericton-In (00) \$1.3286, Fredericton-Out (01) \$1.1065, Saint Mary's (04) \$0.5659, Former LDS (05) \$0.6786, Lakeside Estates (06) \$0.6362 and Lincoln (07) \$0.5042. The Council orders and directs the levying by the Minister of Local Government of said amount on real property liable to taxation under the Assessment Act within the local government of The City of Fredericton; and BE IT FURTHER RESOLVED THAT the Council of the Municipality of the City of Fredericton set the non-residential tax base ratio at 1.7. 3) BE IT RESOLVED THAT the Council of the Municipality of the City of Fredericton directs that the amount of \$28,344,195 for the 2024 General Fund Pay As You Go Capital budget be approved in accordance with the Public Procurement Management Policy No: COR-POL-023; and BE IT FURTHER RESOLVED THAT the Council of the Municipality of the City of Fredericton hereby authorizes and directs the Mayor and City Clerk to execute any CCDC2 and CCDC4 contracts for the acquisition of the assets and the completion of the construction projects listed and approved as part of the 2024 Capital Budget; and BE IT FURTHER RESOLVED THAT the Council of the Municipality of the City of Fredericton hereby authorizes and directs the Mayor and City Clerk to execute any agreements of purchase and sale and such further legal transactional documents as required in relation to the approved construction projects that form part of the 2024 Capital Budget with content satisfactory to the Director of Engineering and Operations, or designate, and in a form and content approved by the City Solicitor, or designate; and BE IT FURTHER RESOLVED THAT the Council of the Municipality of the City of Fredericton hereby directs that any 2024 capital budget savings within Corporate Fleet Capital be reallocated to the next top priority vehicle/equipment on the infrastructure deficit listing; and BE IT FURTHER RESOLVED THAT the Council of the Municipality of the City of Fredericton hereby authorizes and directs the Purchasing Manager and Fleet Manager to pre-order, to a maximum of \$2,000,000 each year, for future years capital purchases pursuant to the 5 Year Plan to help offset inflationary and supply chain issues for 2025, 2026 and 2027. 4) BE IT RESOLVED THAT the Council of the Municipality of the City of Fredericton authorizes and directs the staff of the Transit Division

to update the following Transit Fares and Rates effective January 1, 2024: a) Cash Fare increases from \$2.75 to \$3.00 per trip b) Debit/Credit Card Fare increases from \$2.75 to \$3.00 per trip c) Fixed Route 10-Ride Card increases from \$2.50 to \$2.75 per trip d) Adult Monthly Pass increases from \$80.00 to \$85.00 per month e) Student Monthly Pass increases from \$55.00 to \$60.00 per month f) Senior Annual Pass increases from \$50.00 to \$60.00 per year g) Paratransit 10-Ride Card increases from \$2.50 to \$2.75 per trip 5) BE IT RESOLVED THAT the Council of the Municipality of the City of Fredericton authorizes and directs staff of the Legal Division to prepare an appropriate by-law to amend By-law No. Z-5, A Zoning By-Law for the City of Fredericton to reflect the following fee changes: a) Zoning Amendment/Rezoning Fees – increase from \$1,250.00 to \$1,750.00. b) Municipal Plan/Zoning Fees – increase from \$1,750.00 to \$2,500.00 c) Re-Approval of Subdivision – increase from \$100.00 to \$200.00 d) Subdivision (2 lots or less) – increase from \$100.00 to \$250.00 e) Subdivision (2+ lots) – increase from \$250.00 + \$25.00/lot to \$250.00 + \$50.00/lot f) Panel / Sandwich Board signage – increase from \$75.00 to \$100.00 g) All other types of signage – increase from \$100.00 to \$125.00 6) BE IT RESOLVED THAT the Council of the local government of The City of Fredericton approves and authorizes the following amount as the Business Improvement Levy (Queen) for Downtown Fredericton Inc.: CONDITIONAL TRANSFER FROM PROVINCIAL GOVERNMENT TO BUSINESS IMPROVEMENT CORPORATION Business or Business Improvement Levy \$787,970 Property Assessment \$393,985,000 Rate \$0.20 AND BE IT FURTHER RESOLVED THAT on the 27th day of November 2023 the Council of the local government of The City of Fredericton will enact by by-law that a business improvement levy be imposed on all non-residential property within the Business Improvement Area of the local government that is liable to taxation under the Assessment Act within the Business Improvement Area of Queen Street as outlined in By-Law No. L-13. The levy shall be in the amount of \$787,970 at the rate of \$0.20 and the Council of the City of Fredericton hereby directs and orders the Minister of Local Government to levy the said amount pursuant to provisions of the Business Improvement Area Act. 7) BE IT RESOLVED THAT the Council of the local government of The City of Fredericton approves and authorizes the following amount as the Business Improvement Levy (Main) for Business Fredericton North.: CONDITIONAL TRANSFER FROM PROVINCIAL GOVERNMENT TO BUSINESS IMPROVEMENT CORPORATION Business or Business Improvement Levy \$128,416 Property Assessment \$64,208,200 Rate \$0.20 AND BE IT FURTHER RESOLVED THAT on the 27th day of November 2023 the Council of the local government of The City of Fredericton will enact by by-law a business improvement levy be imposed on all non-residential property within the Business Improvement Area of the local government that is liable to taxation under the Assessment Act within the Business Improvement Area of Main Street as outlined in By-Law No. L-15. The levy shall be in the amount of \$128,416 at the rate of \$0.20 and the Council of the City of Fredericton hereby directs and orders the Minister of Local Government to levy the said amount pursuant to provisions of the Business Improvement Area Act. 8) BE IT RESOLVED THAT the Council of the City of Fredericton hereby approves the following: a) the amount of \$23,440,904 as the 2024 budget for Water and Sewer Revenue; b) the amount of \$12,581,487 as the 2024 Water and Sewer operating budget; c) the amount of \$10,859,417 as the 2024 Water and Sewer capital budget; and BE IT FURTHER RESOLVED THAT the Council of the City of Fredericton hereby authorizes and directs the City Solicitor to draft the appropriate by-law to amend By-law No. W-3, A By-law Respecting Water Rates and Sewer Rentals to reflect the following changes, effective the 2nd quarterly billing in 2024: a) increase the quarterly service charge from \$61.90 to \$67.50 for each of water and sewer; and b) increase the commodity charge per cubic meter from \$0.97 to \$1.00 for each of water and sewer; and c) increase the quarterly flat rate commodity charge from \$67.96 to \$74.76 for each of water and sewer 9) BE IT RESOLVED THAT the Council of the Municipality of the City of Fredericton authorizes and approves the amount of \$10,859,417 for the Water and Sewer Fund 2024 Pay As You Go Capital budget in accordance with the Public Procurement Management Policy No: COR-POL-023, and BE IT FURTHER RESOLVED THAT the Council of the Municipality of the City of Fredericton hereby authorizes and directs the Mayor and City Clerk to execute any agreements of purchase and sale and such further legal transactional documents as required in relation to the approved construction projects that form part of the 2024 Capital Budget with content satisfactory to the Director of Engineering and Operations, or designate, and in a form and content approved by the City Solicitor, or designate; and BE IT FURTHER RESOLVED THAT the Council of the Municipality of the City of Fredericton hereby authorizes and directs the Mayor and City Clerk to execute any CCDC2 and CCDC4 contracts for the acquisition of the assets and the completion of the construction projects listed and approved as part of the 2024 Utility Capital Budget.

B. Other options:

Other direction could be provided to staff

SITUATION, BACKGROUND & DISCUSSION:

- **FINANCIAL:** Adopting these resolutions allows for the completion of the budget for submission to the Province.
- **LEGAL:** With the exception of by-laws associated with the Zoning ByLaw for fee changes and the Business Improvement Areas, the Department/Division has determined that there are no legal considerations associated with this matter. The Office of the City Solicitor was not specifically consulted with respect to this administrative report.
- **COMMUNICATIONS:** Staff from Finance have been working closely with the Communications Division to ensure that all budget related documentation is available through media releases and on the City website.
- **CLIMATE LENS:**

Does this proposal move the City of Fredericton closer to its greenhouse gas (GHG) emissions reduction targets of 50% reduction by 2030 and net-zero by 2050 in line with the City's Corporate Energy & Emissions Plan and/or Community Energy Emission Plan?

- Moves us towards GHG reduction targets
- No change in GHG emissions
- Moves us away from GHG targets but there are trade-offs with other Council or Municipal Plan priorities (*identify which priorities*)

Does this proposal improve the City of Fredericton's resilience to the impacts of climate change in line with our Climate Change Adaptation Plan?

- Moves us towards climate resilience
- No change in resilience
- Moves us away from climate resilience but there are trade-offs with other Council or Municipal Plan priorities (*identify which priorities*)

SPOKESPERSON: Alicia Keating, Assistant Director – Corporate Services/ City Treasurer

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Approved by: *Michael Baldwin, Director – Corporate Services*