

**Full Authority
28 November 2024
Agenda Item: 13**

2025 Draft Budget Deliberations

Background

Please reference 19 September 2024 Agenda Item 10.

2025 Draft Budget Notes

Further to the discussion at the September Board meeting, CVCA staff would like to present the Draft 2025 Budget with additional options in a chart format for the Board to consider.

The CVCA operations and capital infrastructure budget for 2025 focuses primarily on 1) inflationary pressures, 2) cost of living allowance increases for staff wages, 3) increases for the asset management replacement contributions and to the Category 1 Programs and Services and addressing expenses such as legal invoices.

Revenue Impacts

On the revenue side, there has been a significant reduction in the number of permits processed by the CVCA. As a result, revenue has decreased in 2024 and staff determined it would be prudent to carry that trend into the 2025 Draft Budget. Staff are expecting the number of permits have likely “bottomed out” for various permit categories and there could be a shift from new builds to either additions or other improvement projects (shoreline work for example) in the new year.

This could potentially be the third year in a row the regulation fees could be frozen. The Minister of Natural Resources has not stated whether the freeze would be lifted or not at the end of the year. As a result, staff determined it would be better *not* to build in any increases.

No increases were made to hunting fees since we have had complaints the fees are already some of the highest in the area and staff believe there are more benefits to retaining current hunt groups than the slight increase in revenue from higher fees.

There was no increase to the MCA rental fees. The cottage was not fully rented at the current rates suggesting the market would not support additional increases.

Expense Impacts

On a positive note, the CVCA has reduced the phone expenses considerably due to the cancellation of gauge phone lines since we are able to use satellite technology.

Most of the expenses were increased by the cost of living in an attempt to keep pace with this inflationary pressure.

As a result of the work completed on the Asset Management Plan, staff determined an increase to the infrastructure reserve contribution would be appropriate.

The discussion regarding computer replacement at the September 2024 meeting resulted in obtaining a quote for replacing all computers for the office. Fortunately, the computers had been amortized for the past few years and the expense will be covered by reserves.

Stop log purchases have been reduced to \$2,000 to aid the budget pressure.

In addition to the above noted items, staff included a chart describing various options which could be applied to the “base” Draft Budget. For example, the Limerick Township request for funding support is listed showing the estimated increase in dollars (\$14,000), the impact it would alone have on the budget in % (1.71%) and the accumulated total of all of the items listed in the chart (4.16%).

Board Discussion

Staff Recommendation

- 1) That the Draft 2025 Budget be circulated to the member municipalities for their 30 day review period with the amendments as discussed (_____) and***
- 2) That if no changes are adopted after the review by the member municipalities, the Draft 2025 Budget will be discussed for approval at the proposed 16 January 2025 CVCA Board meeting.***

TP