



## **2017 Proposed Municipal Budget**

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**2017 BUDGET OVERVIEW**  
**For Council approval Monday, March 6<sup>th</sup>, 2017**

**FINANCE COMMITTEE REVIEW**

Finance Committee at its meeting Feb 13<sup>th</sup>, 2017 recommended the following:

*Moved by Councillor Cameron and Councillor Pelkman*

**THAT:** the 2017 Consolidated Operating and Capital Budget presented on February 13, 2017, reflecting a 2.34% increase in taxation is approved for presentation to the public on March 6, 2017.

**Carried.**

**BUDGET**

All information contained in this budget is based on unaudited financial information for 2016 and may be subject to change based on the results of the audit.

The 2017 Budget provided for Council’s consideration includes all departmental costs, including water and sewer systems, and is broken down as follows:

<b>Year</b>	<b>Taxation</b>	<b>Non-Tax-Funding</b>	<b>Total</b>
<b>2017</b>	\$15,295,686	\$19,090,302	\$34,385,988

**TAX LEVY**

Finance Committee, at its meeting February 13<sup>th</sup>, 2017 reviewed a budget package that outlined the tax dollars required to meet expenditures is \$15,295,686, an increase of \$350,383, or 2.34%, over 2016. This budget package reflects the budget presented on February 13<sup>th</sup>, 2017.

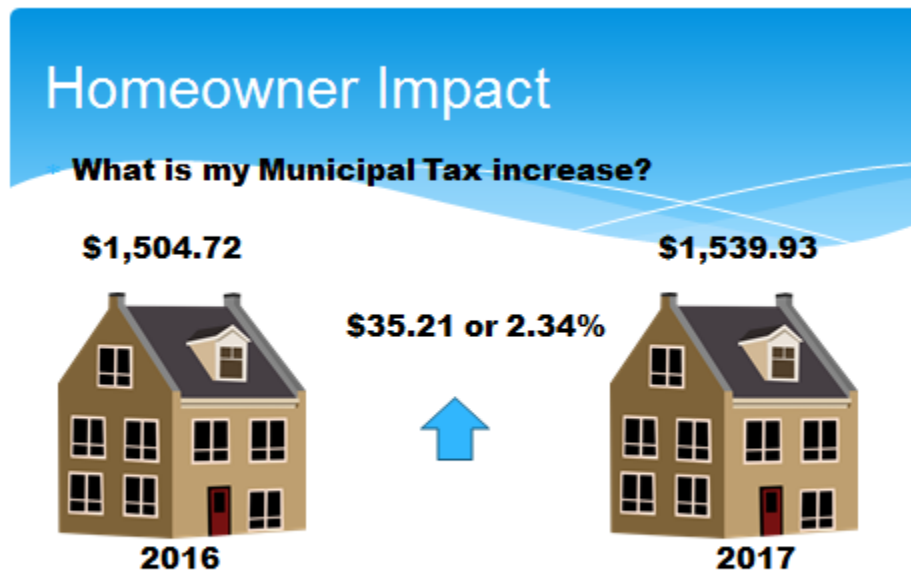
A breakdown of the tax increase is as follows:

<b>Component</b>	<b>2016 Tax Increase</b>	<b>% Increase of 2016 taxes</b>	<b>2017 Tax Increase</b>	<b>% Increase of 2017 taxes</b>
<b>Operations</b>	\$149,700	1.00%	\$(30,617)	(0.02%)
<b>Capital</b>	\$197,449	1.40%	\$381,000	2.54%
<b>TOTALS</b>	<b>\$347,149</b>	<b>2.40%</b>	<b>\$350,383</b>	<b>2.34%</b>

**Asset Management Plan:** In the 2015 and 2016 Municipal Budget council approved that the taxation achieved through growth and phased-in assessment be set aside to support the asset management gap as identified in the Asset Management Plan. In 2017 council has approved the same treatment of the taxation achieved through growth and phased-in growth assessment.

Detailed 2017 budgets available upon request

## HOMEOWNER TAX IMPACT



*Note: Average ratepayer owning a home assessed value of \$213,000 (Assessed Value unchanged). Excludes the Education tax as set by the Province and County Tax portion as set by Middlesex County*

### DEBT

It is estimated that the municipal debt at year-end 2016 will be approximately \$7.2 million. Please see attached 2017 Debt Repayment Schedule. The annual debt payments for 2017 will be approximately \$1.7 million.

### CAPITAL BUDGET

The 2017 Capital Budget includes capital work totaling \$9.7 million which will be accomplished using \$1.4 million tax dollars. Please see attached 2017 Capital project listing. The 2017 Fleet purchases total \$420,000 and will be purchased through the fleet budget which has annual contribution of \$437,000 which is part of the operating budget.

**2017 DEBT REPAYMENT SCHEDULE**

Date: January 4, 2017

Prepared By: Kim Arruda

	Bylaw No.				Estimated				Estimated		
			Interest		Principal O/S	2017	2017	Total	Principal O/S	Original	Cost
Project		Due Date	Rate	Expires	31-Dec-16	Principal	Interest	Payment	31-Dec-17	Loan Amount	Recovery
Library/Museum Renovations (MC)	44-11	Jun/Dec	0%	2019	279,323	111,729	-	111,729	167,594	893,833	Dev. Charges
Mount Brydges Wastewater Project (MC)	9-12	Apr/Oct	0%	2020	918,750	262,500	-	262,500	656,250	2,100,000	Sewer rates
Joint School Board Servicing (DC)	55-09	Jan	0%	2019	483,137	161,050	-	161,050	322,087	1,610,487	Dev. Charges
Molnar Industrial Park-servicing (MOSC)		Dec	0%	2018	275,000	137,500	-	137,500	137,500	1,100,000	Dev. Charges
Mount Brydges roadwork (MOSC)	45-12	Dec	0%	2019	60,000	20,000		20,000	40,000	160,000	Taxation
Strathroy Station Pumper Replacement (OPIC)	75-13	Jun/Dec	3.11%	2023	244,351	34,907	7,366	42,273	209,444	349,073	Taxation
Melbourne Station Tanker Replacement (OPIC)	75-13	Jun/Dec	3.11%	2023	89,782	12,826	2,706	15,532	76,956	128,260	Taxation
Roof-top Solar Project (OPIC)	75-13	Jun/Dec	3.11%	2023	309,185	44,169	9,320	53,490	265,016	441,693	Solar income
Mount Brydges & Area Water System (CMHC)	14-11	Mar	3.54%	2021	197,293	36,762	6,984	43,746	160,531	363,088	Water rates
Mount Brydges Sewer Project (CMHC)	14-11	Mar	3.54%	2021	291,745	54,361	10,328	64,689	237,383	536,912	Sewer rates
Mount Brydges Sanitary Sewer (CMHC)	15-11	Mar	3.92%	2026	1,966,479	164,399	77,086	241,485	1,802,081	2,700,000	Sewer rates
West Middlesex Memorial Centre (OPIC)	25-11	May/Nov	4.38%	2026	2,118,092	184,171	90,778	274,949	1,933,920	3,000,000	Dev. Charges
LED Streetlight Project	50-15	Mar/Sept	1.50%	2020	678,230	150,718	11,144	161,862	527,512	753,589	SAR Taxation
Aerial Fire Apparatus	50-15	Mar/Sept	2.30%	2026	790,988	83,262	17,790	101,052	707,726	832,619	Taxation
<b>TOTALS</b>					<b>\$ 8,702,355</b>	<b>\$ 1,458,355</b>	<b>\$ 233,501</b>	<b>\$ 1,691,856</b>	<b>\$ 7,244,000</b>	<b>\$ 14,969,554</b>	

**MOSC 2017 Proposed Operation Budget Summary -**

	2016 ACTUAL BUDGET	2017 PROPOSED BUDGET	Difference	2016 TAXATION REQUIRED	2017 PROPOSED TAXATION REQUIRED	Difference	%diff	2016 REVENUES	2017 PROPOSED REVENUES	Difference
<b>Corporate Services</b>										
Animal Control	\$ 89,200	\$ 89,787	\$ 587	\$ 88,700	\$ 89,177	\$ 477	1%	\$ 500	\$ 610	\$ 110
Council	\$ 285,470	\$ 285,670	\$ 200	\$ 285,470	\$ 285,670	\$ 200	0%	\$ -	\$ -	\$ -
Crossing Guards	\$ 70,200	\$ 79,000	\$ 8,800	\$ 70,200	\$ 79,000	\$ 8,800	13%	\$ -	\$ -	\$ -
General Government	\$ 1,522,100	\$ 1,622,220	\$ 100,120	\$ 1,123,130	\$ 1,498,990	\$ 375,860	33% <sup>4</sup>	\$ 398,970	\$ 123,230	\$ (275,740)
Information Technology	\$ 425,650	\$ 437,750	\$ 12,100	\$ 180,150	\$ 211,900	\$ 31,750	18%	\$ 245,500	\$ 225,850	\$ (19,650)
Property Management	\$ 252,400	\$ 319,175	\$ 66,775	\$ 247,400	\$ 314,175	\$ 66,775	27% <sup>2</sup>	\$ 5,000	\$ 5,000	\$ -
Municipal Debt	\$ 1,572,587	\$ 1,740,807	\$ 168,220	\$ 741,557	\$ 227,805	\$ (513,752)	-69%	\$ 831,030	\$ 1,513,002	\$ 681,972
Taxations & Grants	\$ 1,436,281	\$ 1,450,470	\$ 14,189	\$ 22,125	\$ (192,969)	\$ (215,094)	-972% <sup>4</sup>	\$ 1,414,156	\$ 1,643,439	\$ 229,283
<b>Protection of Persons &amp; Property</b>										
Building Inspection	\$ 275,800	\$ 352,895	\$ 77,095					\$ 275,800	\$ 352,895	\$ 77,095
Drainage	\$ 117,271	\$ 114,660	\$ (2,611)	\$ 89,551	\$ 86,540	\$ (3,011)	-3% <sup>3</sup>	\$ 27,720	\$ 28,120	\$ 400
Fire Service	\$ 1,156,774	\$ 1,366,804	\$ 210,030	\$ 1,067,774	\$ 1,250,804	\$ 183,030	17%	\$ 89,000	\$ 116,000	\$ 27,000
Police Service	\$ 5,741,920	\$ 6,042,106	\$ 300,186	\$ 5,221,082	\$ 5,345,019	\$ 123,937	2%	\$ 496,479	\$ 697,087	\$ 200,608
Property Standards	\$ 33,425	\$ 39,850	\$ 6,425					\$ 25,000	\$ 39,850	\$ 14,850
Solid Waste	\$ 1,253,150	\$ 1,241,070	\$ (12,080)	\$ 271,450	\$ 77,980	\$ (193,470)	-71% <sup>3</sup>	\$ 981,700	\$ 1,163,090	\$ 181,390
<b>Public Works &amp; Cemetery</b>										
Cemetery	\$ 168,075	\$ 159,900	\$ (8,175)	\$ 59,350	\$ 70,500	\$ 11,150	19%	\$ 108,725	\$ 108,725	\$ -
Mount Brydges Sewers	\$ 117,750	\$ 115,436	\$ (2,314)	\$ -	\$ -	\$ -		\$ 117,750	\$ 115,436	\$ (2,314)
Mount Brydges Water System	\$ 327,496	\$ 313,531	\$ (13,965)	\$ -	\$ -	\$ -		\$ 457,624	\$ 600,930	\$ 143,306
Roads	\$ 2,792,131	\$ 2,701,525	\$ (90,606)	\$ 2,780,131	\$ 2,691,525	\$ (88,606)	-3%	\$ 12,000	\$ 10,000	\$ (2,000)
Strathroy Sewers	\$ 997,050	\$ 907,750	\$ (89,300)	\$ -	\$ -	\$ -		\$ 2,535,930	\$ 2,739,656	\$ 203,726
Strathroy Water System	\$ 1,842,000	\$ 1,814,054	\$ (27,946)	\$ -	\$ -	\$ -		\$ 3,176,304	\$ 3,269,300	\$ 92,996
Streetlights	\$ 229,000	\$ 285,282	\$ 56,282	\$ -	\$ -	\$ -		\$ 229,000	\$ 285,282	\$ 56,282
<b>Recreation &amp; Leisure</b>										
Aquatics	\$ 267,510	\$ 296,625	\$ 29,115	\$ 176,510	\$ 203,125	\$ 26,615	15% <sup>1</sup>	\$ 91,000	\$ 93,500	\$ 2,500
Arena	\$ 1,108,100	\$ 1,236,100	\$ 128,000	\$ 389,040	\$ 508,740	\$ 119,700	31% <sup>1</sup>	\$ 717,980	\$ 727,360	\$ 9,380
Caradoc Community Centre	\$ 70,250	\$ 69,600	\$ (650)	\$ 45,250	\$ 42,600	\$ (2,650)	-6%	\$ 25,000	\$ 27,000	\$ 2,000
Recreation	\$ 271,687	\$ 276,450	\$ 4,763	\$ 253,187	\$ 180,950	\$ (72,237)	-29% <sup>1</sup>	\$ 18,500	\$ 95,500	\$ 77,000
Library Operations	\$ 98,980	\$ 175,123	\$ 76,143					\$ 98,980	\$ 175,123	\$ 76,143
Museum Operations	\$ 166,525	\$ 144,525	\$ (22,000)	\$ 149,137	\$ 126,137	\$ (23,000)	-15% <sup>2</sup>	\$ 17,388	\$ 18,388	\$ 1,000
Parks Operations	\$ 488,850	\$ 524,050	\$ 35,200	\$ 454,500	\$ 480,550	\$ 26,050	6% <sup>1</sup>	\$ 34,350	\$ 43,500	\$ 9,150
Scout Hut	\$ 5,500	\$ 6,500	\$ 1,000	\$ 1,650	\$ 2,650	\$ 1,000	61%	\$ 3,850	\$ 3,850	\$ -
<b>Planning &amp; Development</b>										
Economic Development	\$ 149,650	\$ 155,520	\$ 5,870	\$ 149,650	\$ 155,520	\$ 5,870	4%	\$ -	\$ -	\$ -
Planning Operations	\$ 131,910	\$ 139,350	\$ 7,440	\$ 59,260	\$ 59,250	\$ (10)	0%	\$ 68,850	\$ 80,100	\$ 11,250
Hospital	\$ 100,000	\$ 100,000	\$ 100,000		\$ 100,000	\$ 100,000		\$ -	\$ -	\$ -
<b>Total</b>	<b>23,464,692</b>	<b>24,603,585</b>	<b>\$ 1,138,893</b>	<b>\$ 13,926,254</b>	<b>\$ 13,895,638</b>	<b>\$ (30,616)</b>	<b>-0.22%</b>	<b>\$ 12,504,086</b>	<b>\$ 14,301,823</b>	<b>\$ 1,797,737</b>

Note: <sup>1,2,3</sup> - there was a realignment of wages and benefits within these departments to better reflect operations

<sup>4</sup> - there was a realignment of accounts between these two departments

Tax Rate Increase	-0.20%
Approved total tax rate increase	2.34%
Available for capital	2.54%

**Detailed Budgets Available Upon Request**

Dated: March-01-17

Year	Department	Project	Total Budgeted Cost	Deferred Revenue	Grants & Recoveries	Loans	Gas Tax	Development charges	Water Rates	Sewer Rates	Tax
2017	Roads/Water/Sewer	Princess Street Area Reconstruction (Maitland Terrace to Caradoc St)	\$ 2,146,426.00	\$ 214,643.00	\$ 1,931,783.00						
2017	Water	Allen Road Watermain Loop (Parkhouse to Mill Rd) 615 m	\$ 150,000.00		\$ 75,000.00				\$ 75,000.00		\$ -
2017	Sewer	Park Street Pump Station Upgrade	\$ 250,000.00							\$ 250,000.00	\$ -
2017	Roads/Water/Sewer	Caradoc Street Reconstruction Phase I (Sydenham River to Hull Road)	\$ 900,000.00		\$ 610,250.00		\$ 100,000.00	\$ 189,750.00			\$ -
2017	Roads/Water/Sewer	McKellar Street Reconstruction (Metcalfe Street to Dell Drive)	\$ 2,112,877.00		\$ 998,357.00		\$ 157,880.00	\$ 356,640.00	\$ 300,000.00	\$ 300,000.00	\$ -
2017	Roads	McKellar Street Reconconstruction (Dell Drive to Carroll Street)	\$ 382,970.00					\$ 286,970.00			\$ 96,000.00
2017	Roads/Water/Sewer	Ellor Street Reconstruction (Clarence to 600 m south)	\$ 1,220,000.00		\$ 375,801.85		\$ 245,694.15		\$ 241,754.00	\$ 356,750.00	\$ -
2017	Sewer	Albert St. Pump Replacement	\$ 275,000.00		\$ 41,250.00					\$ 233,750.00	\$ -
2017	Water	Water Tower Upgrades	\$ 15,000.00						\$ 15,000.00		\$ -
2017	Water	Mt. Brydges Reservoir Roof Replacement, Asbestos Removal and Façade Improvement	\$ 100,000.00						\$ 100,000.00		\$ -
2017	Sewer	Lagoon Sludge Removal	\$ 250,000.00		\$ 32,125.00					\$ 217,875.00	\$ -
2017	Info Sys	Radio upgrade for Fire (1)	\$ 135,000.00	67,500.00							\$ 67,500.00
2017	Info Sys	Wireless Link Melbourne Fire Hall	\$ 12,500.00								\$ 12,500.00
2017	Info Sys	External Cameras	\$ 5,000.00								\$ 5,000.00
2017	Info Sys	Computer and Hardware replacements	\$ 25,000.00								\$ 25,000.00
2017	Info Sys	Gemini Fire Panel Upgrade (Mandatory)	\$ 10,000.00								\$ 10,000.00
2017	Info Sys	Data Cabling Infrastructure Gemini	\$ 15,000.00								\$ 15,000.00
2017	CCC	Dishwasher, Stove and Refrigerator	\$ 27,000.00								\$ 27,000.00
2017	Gemini	Front Entrance Sliding Doors	\$ 13,000.00								\$ 13,000.00
2017	Gemini	Dressing Room HVAC Replacement and controls	\$ 200,000.00								\$ 200,000.00
2017	Gemini	Security System Upgrade	\$ 7,500.00								\$ 7,500.00
2017	Park	Playground Equipment (High Street, Southfield)	\$ 75,000.00		\$ 75,000.00						\$ -
2017	Park	Scout House -- Roof	\$ 65,000.00								\$ 65,000.00
2017	Park	Infield Clay Royals Field	\$ 15,000.00								\$ 15,000.00
2017	Park	Safety Netting - Royals Field and Mt. Brydges	\$ 20,000.00								\$ 20,000.00
2017	Park	Rotary Club Pavilion Upgrade	\$ 10,000.00								\$ 10,000.00
2017	Park	Parking Lot Improvements Yorkview Community Park	\$ 15,000.00								\$ 15,000.00
2017	WMMC	Dehumidifier Replacement	\$ 85,000.00								\$ 85,000.00
2017	Rec	Senior's Centre Games Room Floor - Refinish & Seal	\$ 20,000.00								\$ 20,000.00
2017	Roads	Tar and Chip Ward 2	\$ 425,000.00					\$ 211,000.00			\$ 214,000.00
2017	Roads	Asphalt Repaving Ward 1 and 2	\$ 225,000.00					\$ 140,000.00			\$ 85,000.00
2017	Roads	Sidewalks Ward 1 and 2	\$ 70,000.00					\$ 41,000.00			\$ 29,000.00
2017	Streetlights	Helen Drive	\$ 40,000.00								\$ 40,000.00
2017	Police Services	Comm Centre Upgrades	\$ 50,000.00								\$ 50,000.00
2017	Police Services	Small Equipment Purchase	\$ 8,000.00								\$ 8,000.00
2017	Police Services	Fleet Purchase	\$ 92,000.00								\$ 92,000.00
2017	Cemetery	New furnace and Internal Road improvements	\$ 20,000.00					\$ 9,000.00			\$ 11,000.00
2017	Property Management	Town Hall Bell Tower Restoration (2)	\$ 150,000.00	\$ 92,000.00							\$ 58,000.00
2017	Fire Service	Radio Upgrades Phase 2	\$ 45,130.00								\$ 45,130.00
<b>Subtotal</b>			<b>\$ 9,682,403.00</b>	<b>\$ 374,143.00</b>	<b>\$ 4,139,566.85</b>	<b>\$ -</b>	<b>\$ 503,574.15</b>	<b>\$ 1,234,360.00</b>	<b>\$ 731,754.00</b>	<b>\$ 1,358,375.00</b>	<b>\$ 1,340,630.00</b>
<b>Expenses and taxation only reflect the 85% Municipal Portion</b>											
2017	Tri-Township Arena	Building Assessment Carryover from 2016	\$ 30,000.00	\$ 30,000.00							\$ -
2017	Tri-Township Arena	Upper Bleacher Seating	\$ 55,000.00	\$ 8,250.00							\$ 46,750.00
2017	Tri-Township Arena	Office Improvements	\$ 7,500.00	\$ 1,125.00							\$ 6,375.00
2017	Tri-Township Arena	Floor Scrubber	\$ 7,500.00	\$ 1,125.00							\$ 6,375.00
<b>Subtotal</b>			<b>\$ 100,000.00</b>	<b>\$ 40,500.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 59,500.00</b>
<b>2017 Proposed Total</b>			<b>\$ 9,782,403.00</b>	<b>\$ 414,643.00</b>	<b>\$ 4,139,566.85</b>	<b>\$ -</b>	<b>\$ 503,574.15</b>	<b>\$ 1,234,360.00</b>	<b>\$ 731,754.00</b>	<b>\$ 1,358,375.00</b>	<b>\$ 1,400,130.00</b>

2017 Capital Budget Increase \$ \$ 381,000.00  
 2017 Capital Budget Increase % 2.54%

Fleet Transactions			Total Budgeted Cost	Deferred Revenue	Grants & Recoveries
2017	Roads	One Tonne with chipper box and flat bed (3)	\$ 90,000.00	\$ 75,000.00	\$ 15,000.00
2017	Roads	Tandem Snowplow	\$ 275,000.00		\$ 275,000.00
2017	General Gov	2 Road closure trailers	\$ 10,000.00		\$ 10,000.00
2017	Parks and Recreation	Replace 2011 John Deere Mower w Blower	\$ 25,000.00		\$ 25,000.00
2017	Parks and Recreation	Replace 2010 Kubota F3080 Mower	\$ 20,000.00		\$ 20,000.00
<b>\$</b>			<b>\$ 420,000.00</b>	<b>\$ 75,000.00</b>	<b>\$ 345,000.00</b>

**TAXATION AND GRANTS**

The Municipality of Strathroy-Caradoc  
Income Statement - Actual vs. Budget  
31-Dec-16

01/03/2017 11:07

	2015		2016		2017	\$ Diff	% Diff
	BUDGET	ACTUAL	BUDGET	YTD	BUDGET		
<b>OPERATING REVENUE:</b>							
11-000-00000-00000		342,010		192,211			
11-000-00010-40220	454,400	454,400	386,300	289,725	\$ 328,400	(57,900)	-14.99%
11-000-00020-40220	611,782	607,427	611,782	637,798	\$ 611,782	0	0.00%
11-000-00020-40500		307,247		271,733	\$ 250,000	250,000	100.00%
11-000-00020-40510		139,845		99,476	\$ 38,000	38,000	100.00%
11-000-01000-40230	80,000	85,397	46,575	66,399	\$ 46,575	0	0.00%
11-000-01400-40110	14,598,153	14,529,201	14,945,302	14,885,778	\$ 15,295,686	350,384	2.34%
11-000-01400-40120	100,000	186,047	100,000	189,167	\$ 100,000	0	0.00%
11-000-01400-40150	175,000	150,901	175,000	149,188	\$ 175,000	0	0.00%
11-000-01400-40170	40,000	40,844	40,000	40,687	\$ 40,000	0	0.00%
11-790-01400-40160	53,700	53,700	54,500	54,500	\$ 54,500	0	0.00%
<b>Total OPERATING REVENUE</b>	<b>16,113,035</b>	<b>16,897,019</b>	<b>16,359,459</b>	<b>16,876,662</b>	<b>\$ 16,939,943</b>	<b>580,484</b>	<b>3.55%</b>
<b>General Expenses:</b>							
12-000-00000-00001		165,196					
12-000-00000-00002							
12-000-00000-60000	13,887,626	13,880,378	13,904,129	12,834,827	\$ 14,088,607	184,478	1.33%
12-000-00000-60001	821,599	821,592	1,019,048	945,585	\$ 1,400,048	381,000	37.39%
12-000-00000-60002	228,328	228,328	230,000		\$ 230,000	0	0.00%
12-000-00000-60003	130,000		80,000		\$ 80,000	0	0.00%
12-000-00000-60750	120,000	123,650	150,000	162,626	\$ 174,188	24,188	16.13%
12-000-00000-62280	250,000	185,438	300,000	138,170	\$ 300,000	0	0.00%
12-000-00020-60510		100,872					
12-100-00000-61200	10,000		10,000		\$ -	(10,000)	-100.00%
12-000-00020-60770	611,782		611,782		\$ 611,782	0	0.00%
12-790-07900-40740	53,700	53,700	54,500	54,500	\$ 55,318	818	1.50%
<b>Total General Expenses</b>	<b>16,113,035</b>	<b>15,559,154</b>	<b>16,359,459</b>	<b>14,135,708</b>	<b>\$ 16,939,943</b>	<b>580,484</b>	<b>3.55%</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>-</b>	<b>1,337,865</b>	<b>-</b>	<b>2,740,954</b>	<b>\$ -</b>		

- 1 Moved from gen gov
- 2 Moved from gen gov
- 3 Move to Building Standards
- 4 LTVCA-78,950 SCRCA-95,238
- 5 Moved to gen gov