



# 2016 Budget Presentation

March 7, 2016

2016 Proposed Operating and Capital Budget

Municipalities collect just eight cents of every tax dollar paid in Canada. Meanwhile, they build more than one-half of the country's core infrastructure

Without access to revenues that grow with the economy, and without sufficient long-term investments by other governments, municipalities continue to face a structural gap between their growing responsibilities and the resources they have to meet them.

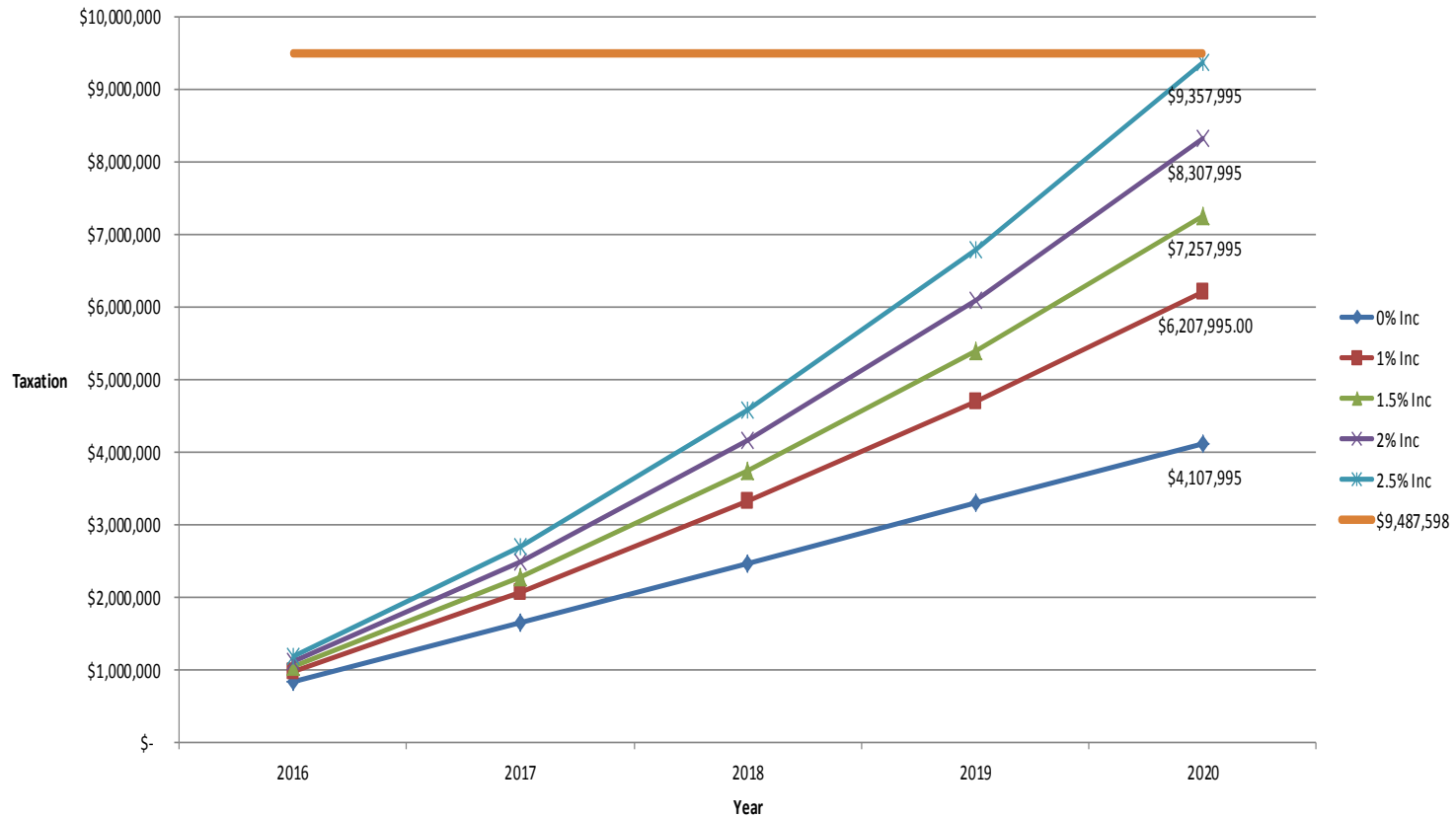
# Decisions to Date



# Financial Pressures Facing The Municipality

1. OMFP Funding reduced by \$68,100, or \$281,800 since 2013
2. Assessment gap - supplemental payments are delayed
3. Expected increase in Tax appeals as 2016 is a re-assessment year
4. Infrastructure grants going forward are tied to Asset Management Plans that are up to date

## 2020 Forecast Capital Tax Required



At the Finance Committee meeting February 29, 2016 The Finance Committee recommends the 2016 consolidated budget as amended, reflecting an overall increase taxation of 2.4% be approved for presentation to the public on March 7, 2016.

Year	Taxation	Non-Tax Funding	Total
2016	\$14,945,302	\$13,396,728	\$28,342,030



2016 Proposed Operating and Capital Budget

## Comparison to 2015 taxation

Component	2015 Tax Increase	% Inc	2016 Tax Increase	% Inc
Operations	\$96,685	0.80%	\$16,503	0.02%
General Grants-Revenues	\$343,500	2.4%	\$133,197	0.98%
Capital-Fleet	\$0	0%	\$197,449	1.4%
TOTALS	\$440,185	3.20%	\$347,149	2.4%

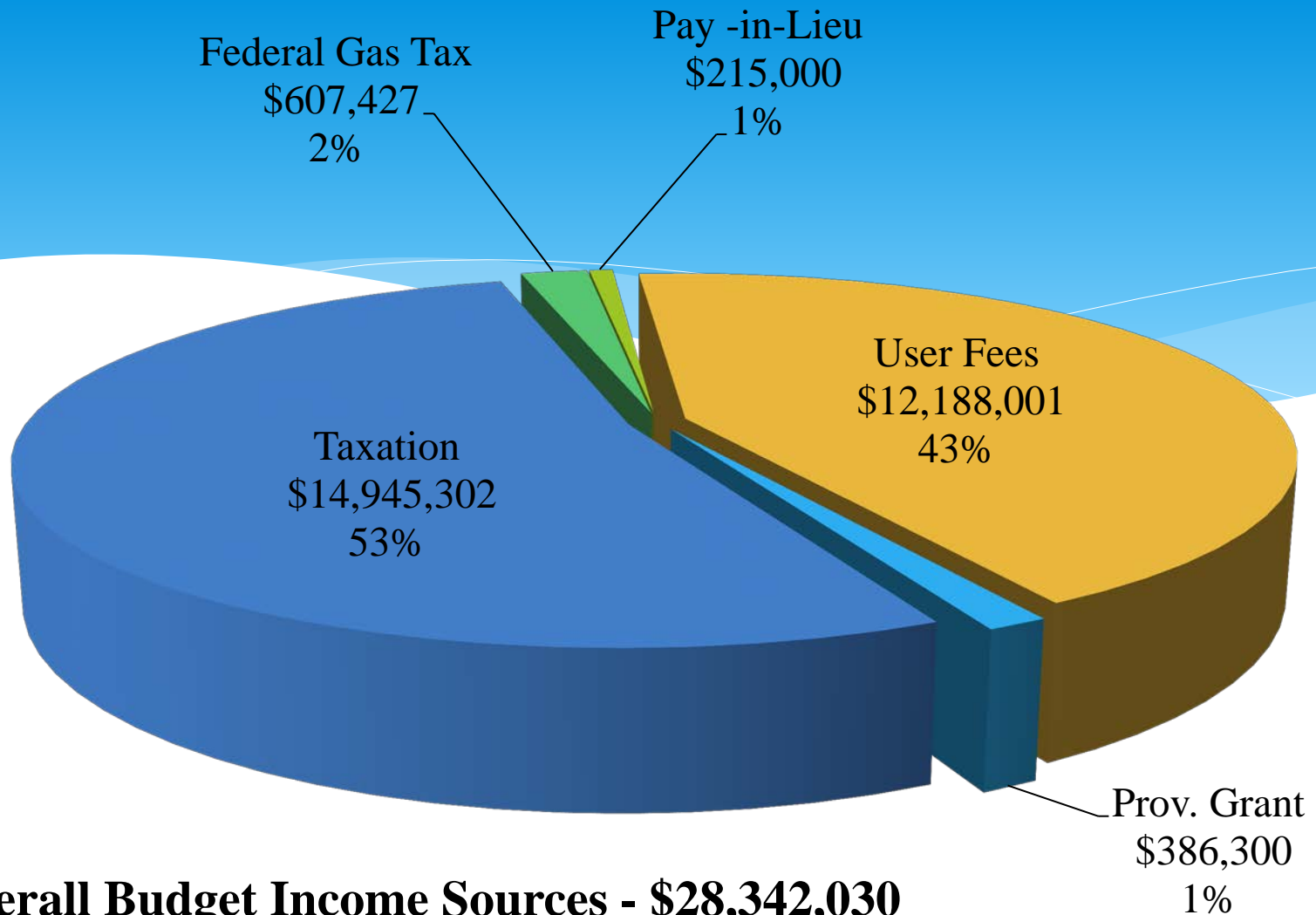
**Asset Management Plan:** In the 2015 Municipal Budget council approved that the taxation achieved through growth and phased-in assessment be set aside to support the asset management gap as identified in the Asset Management Plan. In 2015 budget this resulted in additional 1.60% increase which raised the overall tax increase in 2015 to 4.80%. Council has approved the same treatment of the taxation achieved through growth and phased-in growth assessment for the 2016 budget that it be applied to the Asset Management Plan.

## Special Area Rating - Street lighting

Service Area	2015	2016
Strathroy	\$174,000	\$194,650
Mount Brydges	\$25,000	\$27,480
Melbourne	\$6,500	\$6,870

The \$23,500 increase in the street lighting budget takes into account the total replacement of a million dollar asset with the 1,800 LED Street Lights. This will reduce electricity consumption by 60% and maintenance by 80%





**Overall Budget Income Sources - \$28,342,030**

## Service Areas – Business Units

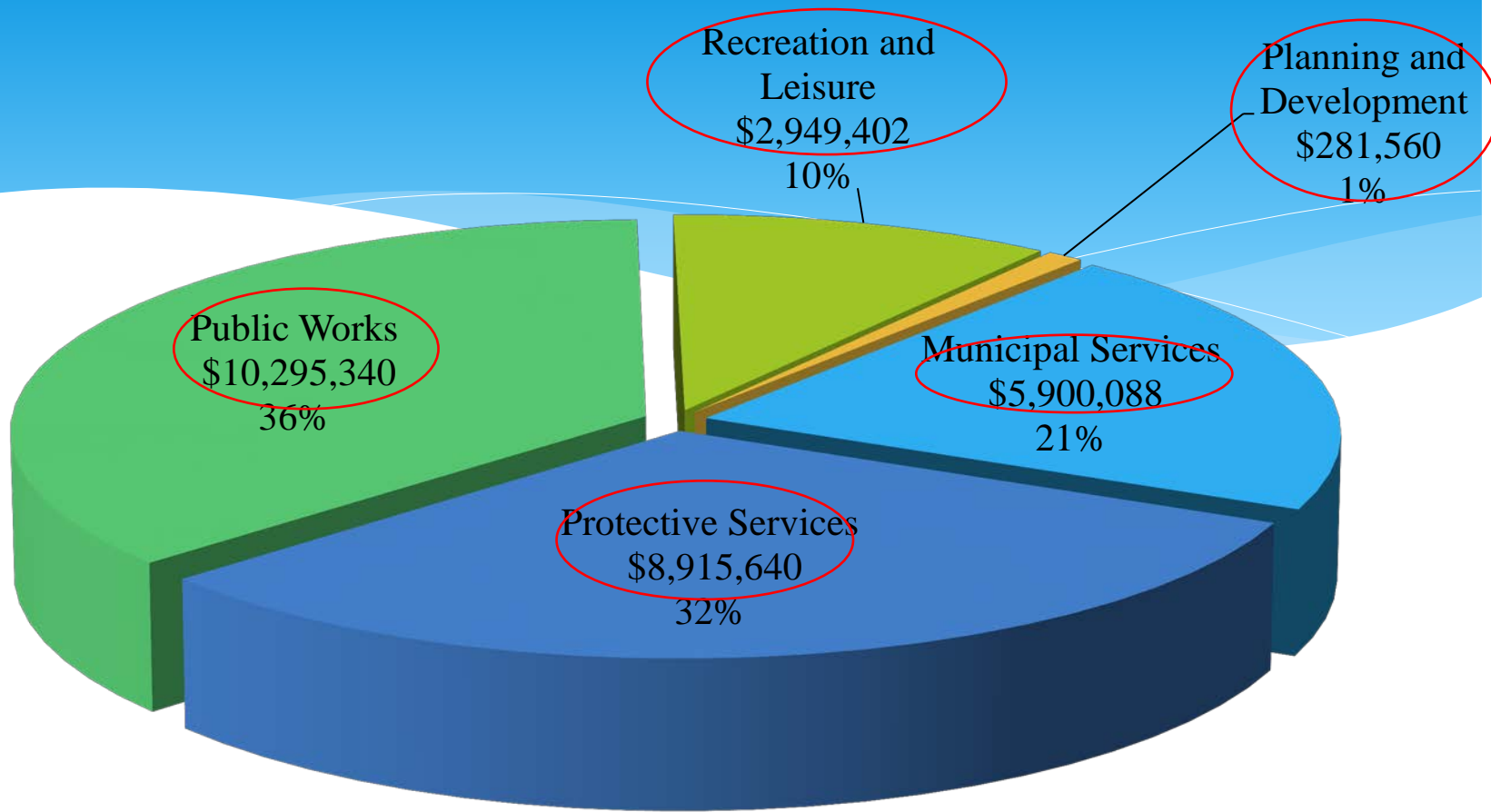
<b>Municipal Services</b>
<b>Total Budget - \$5,900,088</b>
<b>Operating Budget- \$5,653,888</b>
<b>Capital Budget - \$246,200</b>
Animal Control
Council
Crossing Guards
General Government
Information Technology
Property Management
Municipal Debt
Taxations & Grants

<b>Recreation and Leisure</b>
<b>Total Budget - \$2,949,402</b>
<b>Operating Budget- \$2,477,402</b>
<b>Capital Budget - \$472,000</b>
Aquatics
Arena
Caradoc Community Centre
Recreation
Library Operations
Museum Operations
Parks Operations
Scout Hut

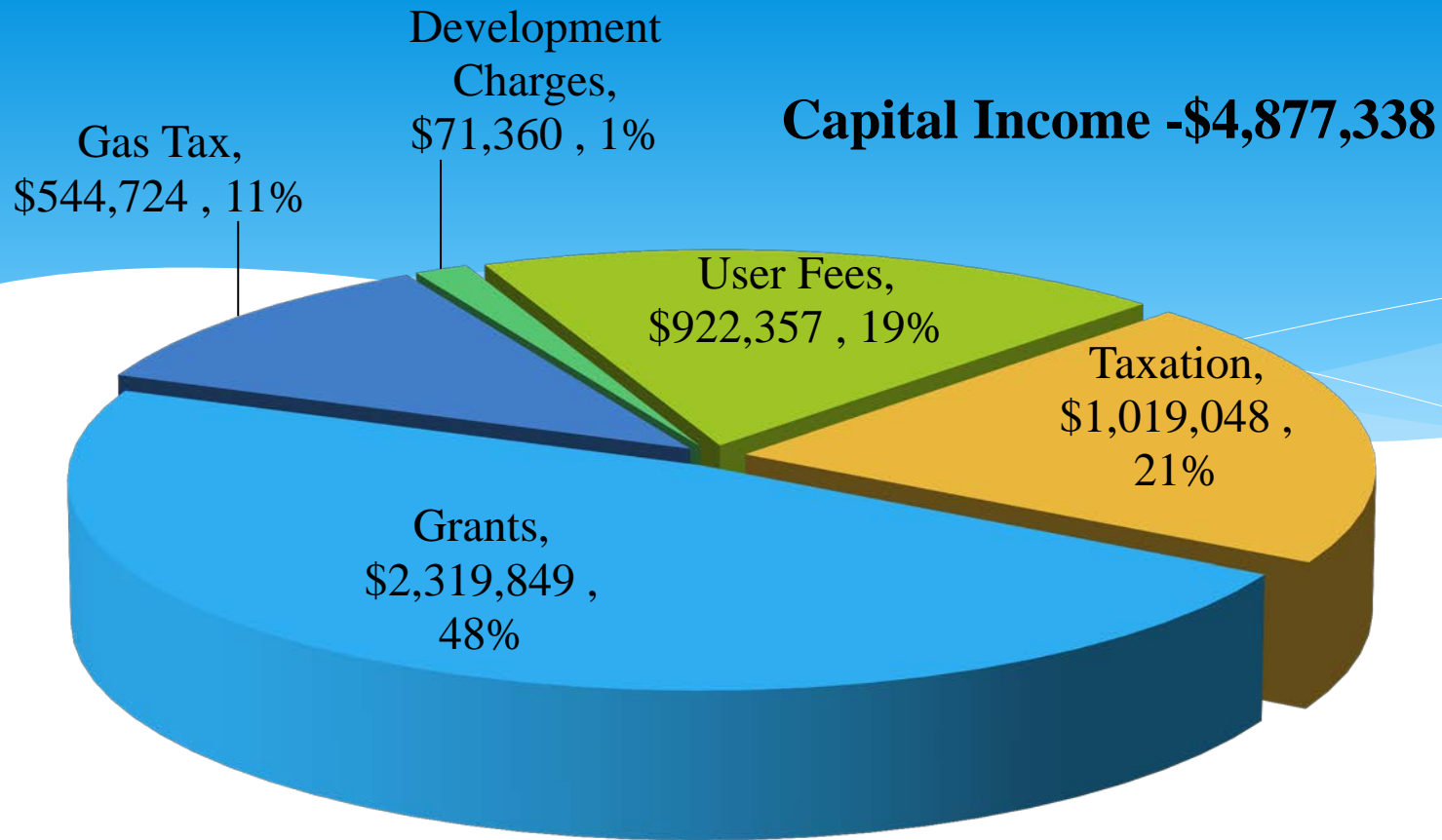
<b>Public Works</b>
<b>Total Budget - \$10,295,340</b>
<b>Operating Budget- \$6,473,502</b>
<b>Capital Budget - \$3,821,838</b>
Cemetery
Mount Brydges Sewers
Mount Brydges Water System
Roads
Strathroy Sewers
Strathroy Water System
Streetlights

<b>Protective Services</b>
<b>Total Budget - \$8,915,640</b>
<b>Operating Budget- \$8,578,340</b>
<b>Capital Budget - \$337,300</b>
Building Inspection
Drainage
Fire Service
Police Service
Property Standards
Solid Waste

<b>Planning and Development</b>
<b>Total Budget - \$281,560</b>
<b>Operating Budget- \$281,560</b>
<b>Capital Budget - \$0</b>
Economic Development
Planning Operations



**Overall Budget Expenses - \$28,342,030**

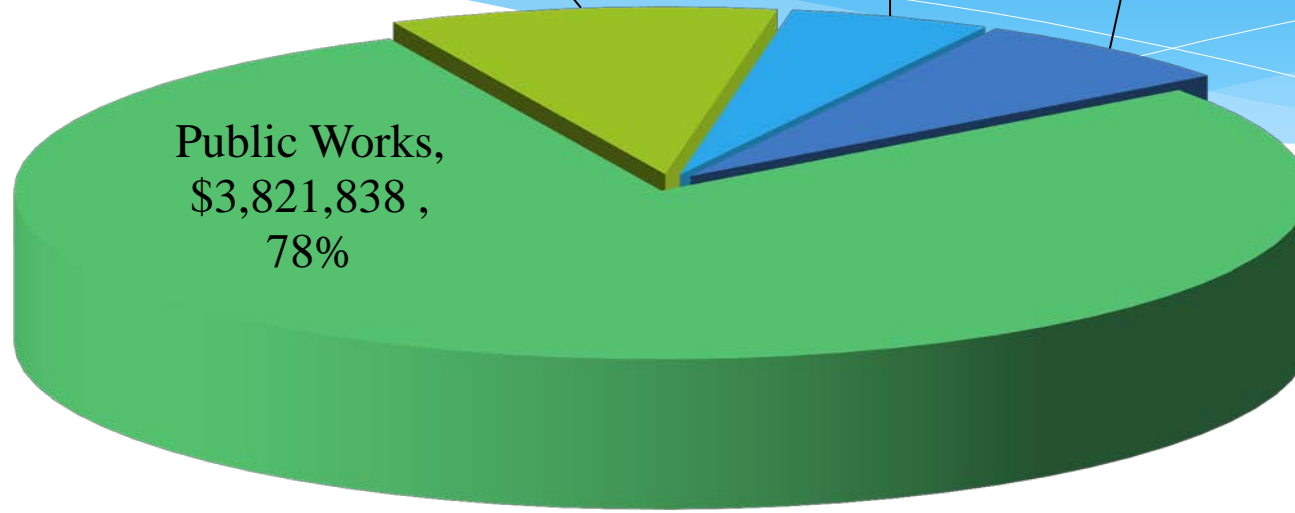


In the 2016 Capital Budget Fifty (50) Capital projects will be completed and the municipality will leverage almost 5 additional dollars for every tax dollar spent.

Recreation and  
Leisure,  
\$472,000 , 10%

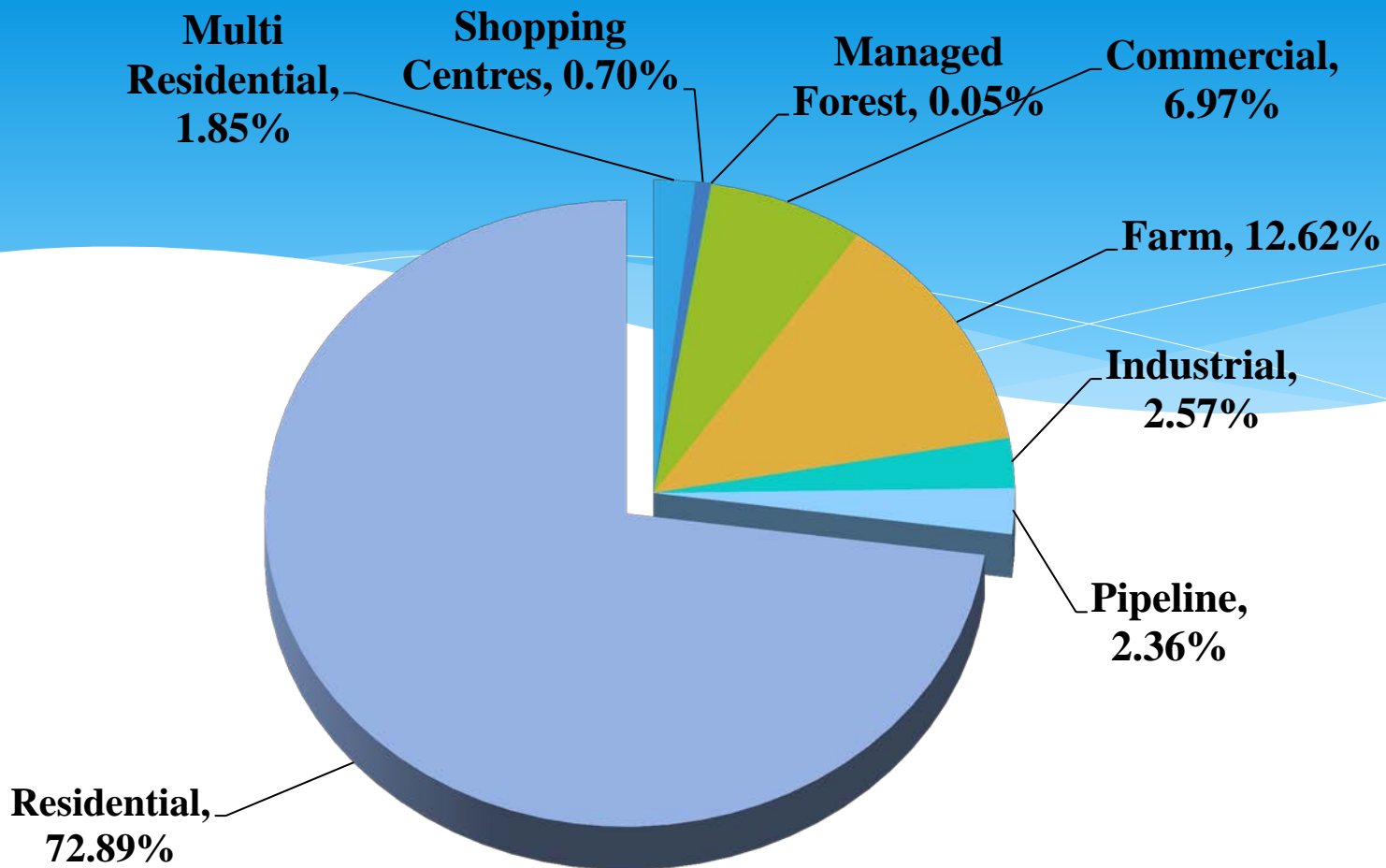
Municipal  
Services,  
\$246,200 , 5%

Protective  
Services,  
\$337,300 , 7%

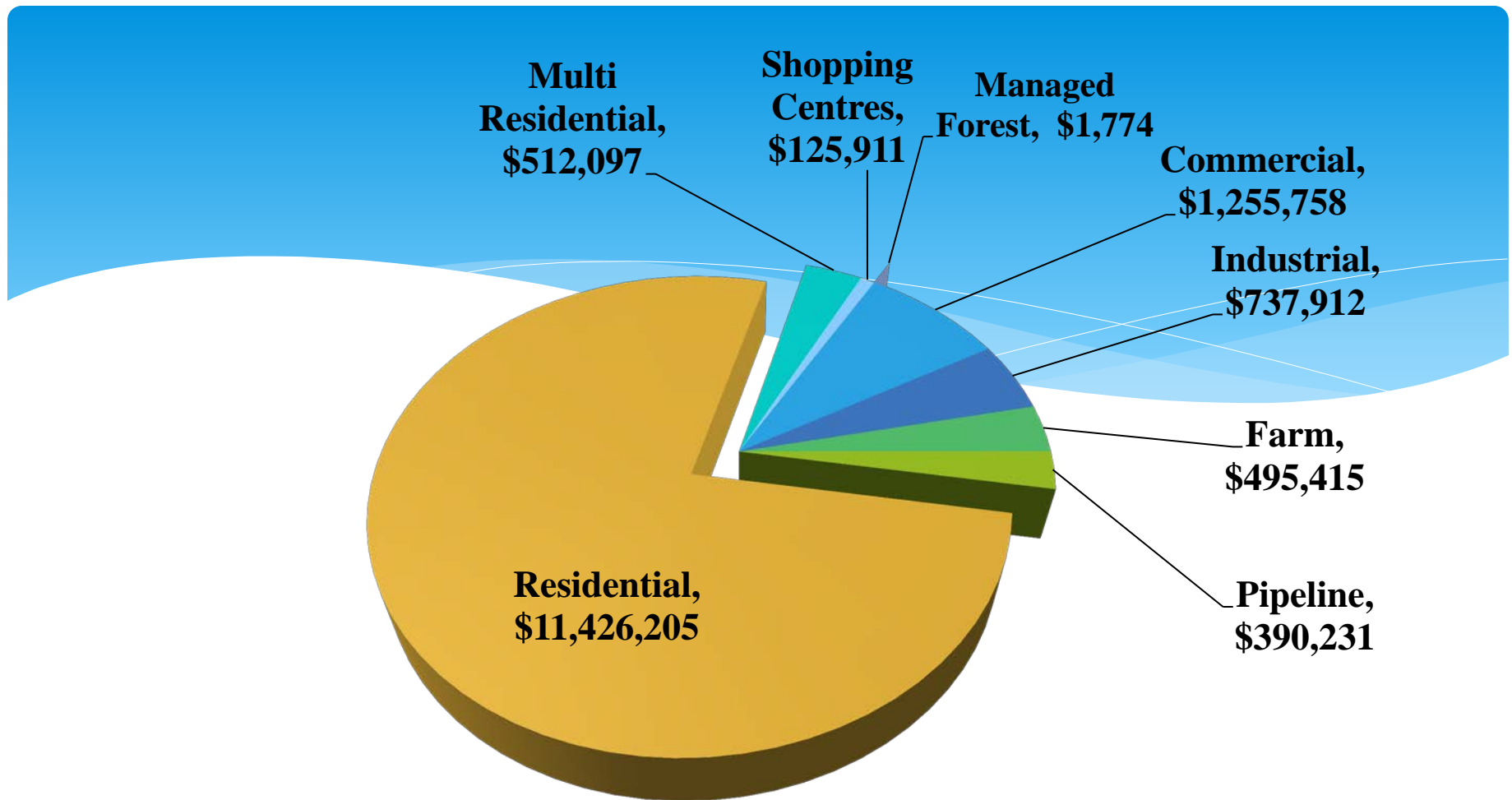


Public Works,  
\$3,821,838 ,  
78%

**Capital Expenses - \$4,877,338**



**Assessment Class as a % of Total Assessment**



**Where Does the \$14,945,302  
In Taxation Come from?**

# Assessment

In 2015, the Municipal levy was 48% of the total tax levy (County 27%, Education 25%)

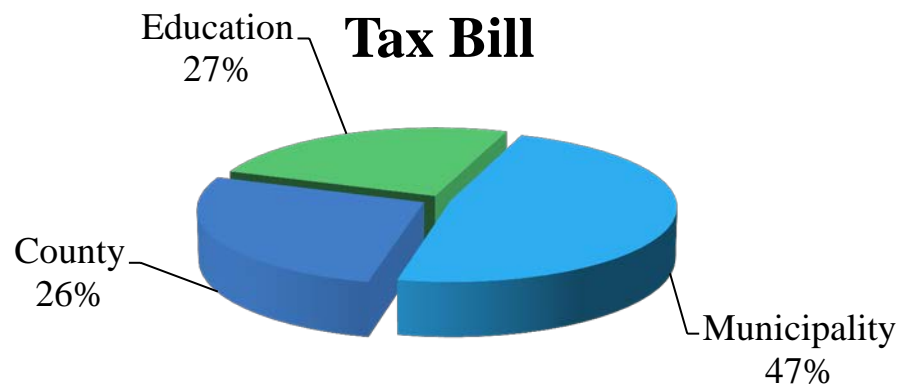
These percentages should not change much unless there is a significant change in the levy for one or more of the above jurisdictions.

## **Impact of assessment growth:**

In 2015, the total taxable assessment increase for growth is 0.95%. Assessment growth is new assessment for new/additions to homes, farms, businesses, and industrial and commercial properties.

## **Impact of phase-in assessment:**

In 2015 the average house in the Municipality saw a phased-in assessment increase of 0.97%





# Homeowner Impact

- \* What is my Municipal Tax increase?

\$1,469.46



2015

\$1,504.72



2016

\$35.26 or 2.4%



*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*



*Questions?*



*Urban Opportunity – Rural Hospitality*