



2021 Budget Presentation

December 7, 2020

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.

Highlights and Lowlights

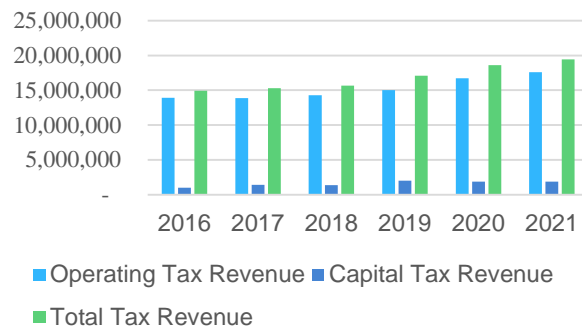
1. Municipal Debt will be paid down \$823,000 in 2021. At year-end 2021, outstanding debt will be \$3.2M.
2. Municipal Reserve funds are continuing to be rebuilt to ensure municipal funding is available when capital project comes due and to provide operating working capital
3. Municipal fleet program ensures funding is available when equipment needs replacing
4. Development charges are being better utilized to ensure they pay for future development
5. OMPF Funding reduced by \$30,122 in 2021, or \$496,500 since 2013 which represents a 74% cut in funding

Annual Consolidated Budgets Comparison 2016 to 2021

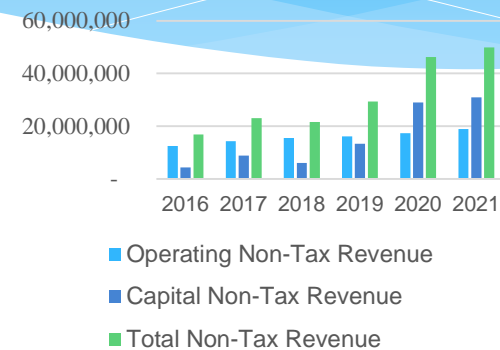
Year	Taxation	Non-Tax Funding	Total
2021	\$19,429,456	\$49,850,125	\$69,279,581
2020	\$18,615,833	\$46,258,773	\$64,874,606
2019	\$17,070,709	\$29,397,737	\$46,468,446
2018	\$15,929,577	\$21,530,766	\$37,460,343
2017	\$15,295,768	\$23,084,771	\$38,380,539
2016	\$14,945,302	16,831,615	\$31,776,917

Annual Consolidated Budgets Comparison 2016 to 2021

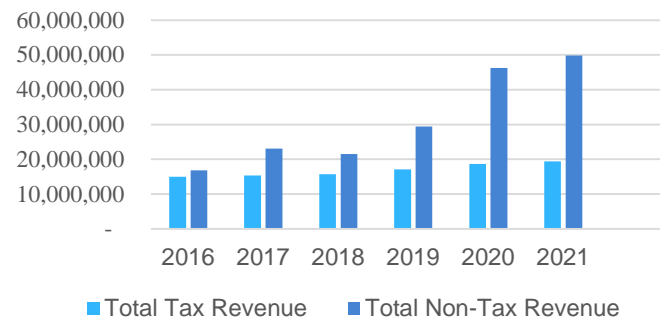
Tax Revenue



Non-Tax Revenue



Total Revenue Comparison



Comparison to 2020 tax increase

Component	2021 Tax Increase	% Inc	2020 Tax Increase	% Inc
Operations	\$327,599	0.60%	\$1,015,502	1.91%
Capital	\$(31,800)	(0.04)%	\$(141,200)	(0.27)%
Reserve Funds	\$517,823	0.94%	\$670,822	1.26%
TOTALS	\$813,622	1.50%	\$1,545,124	2.90%

Asset Management Plan: For the last 6 years council has approved that a portion of taxation achieved through growth and phased-in assessment be set aside to support the asset management gap as identified in the Asset Management Plan. The budget provision for 2021 is \$230,000.

Tax Rate Increases 2015 to 2021

Year	Taxation
2021 Proposed	1.50%
2020	2.90%
2019	2.65%
2018	-4.20%
2017	-0.26%
2016	-1.71%
2015	0.47%

Service Areas – Business Units

Municipal Services
Total Budget - \$7,054,936
Operating Budget - \$6,638,486
Capital Budget - \$416,450
Animal Control
Council
Crossing Guards
Human Resources
Information Technology
Legal and Legislative Services
Property Management
Municipal Debt
Taxations & Grants
Treasury

Protective Services
Total Budget - \$11,428,615
Operating Budget- \$10,948,615
Capital Budget - \$480,000
Building Inspection
Drainage
Fire Service
Police Service
Property Standards
Solid Waste

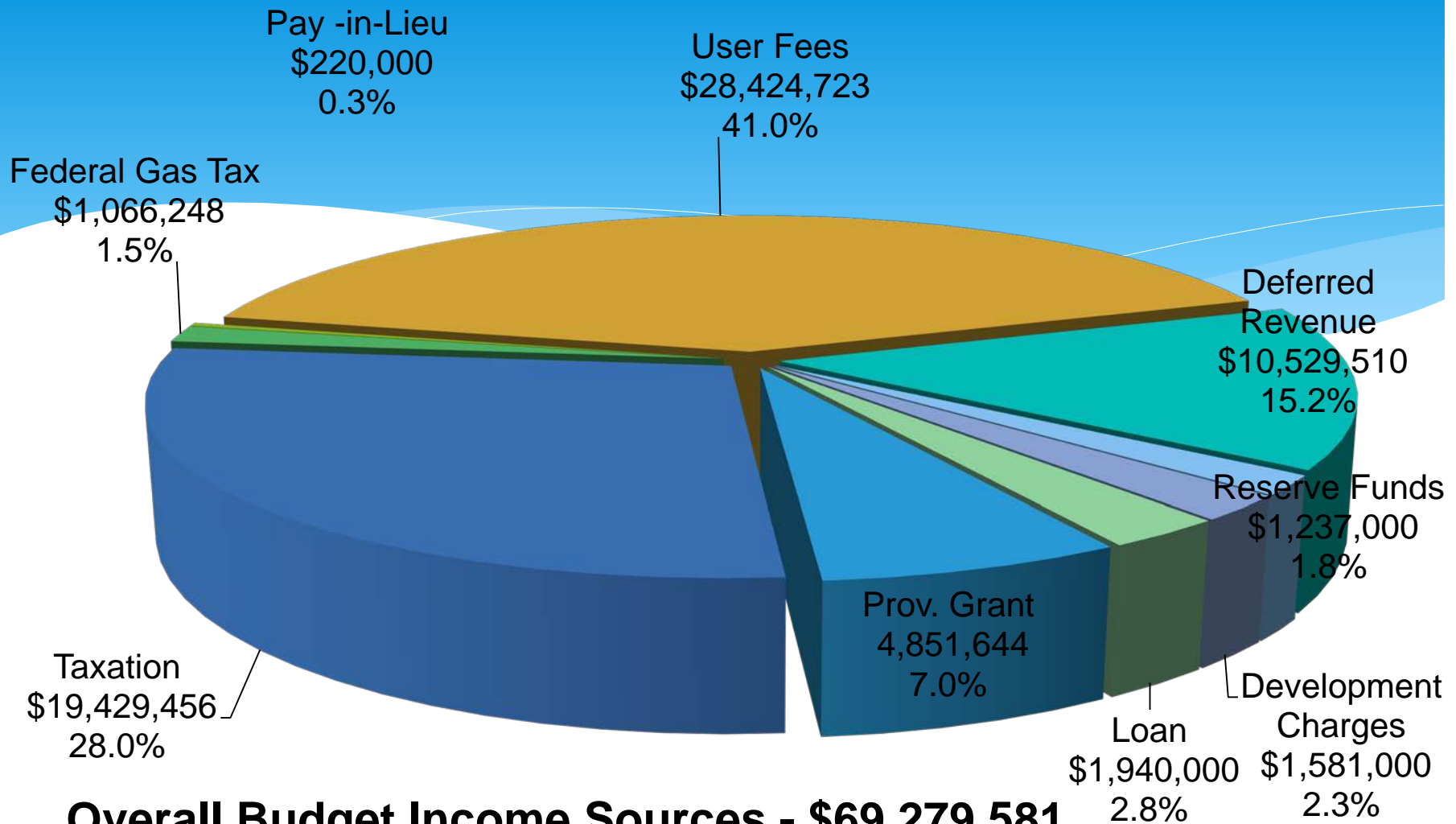
Community Services
Total Budget - \$5,762,909
Operating Budget - \$3,969,628
Capital Budget - \$1,793,281
Aquatics
Arena
Caradoc Community Centre
Cemetery
Recreation
Library Operations
Museum Operations
Parks Operations
Scout House
Tri-Township Arena (85%)

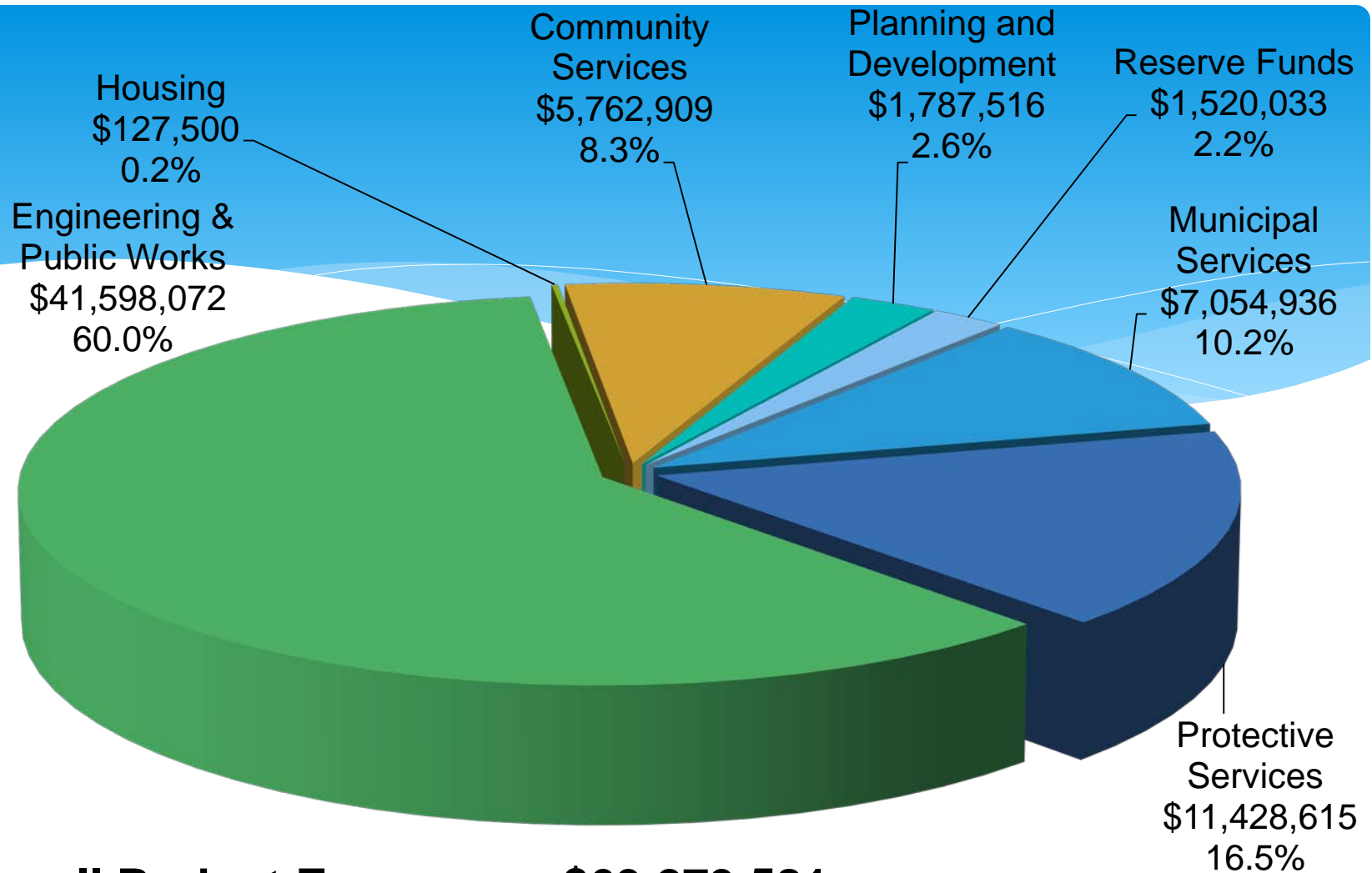
Planning and Development
Total Budget - \$1,787,516
Operating Budget - \$1,001,166
Capital Budget - \$786,350
Economic Development
Planning Operations
Community Development

Engineering and Public Works
Total Budget - \$41,598,072
Operating Budget - \$12,281,695
Capital Budget - \$29,316,377
Mount Brydges Sewers
Mount Brydges Water System
Roads
Strathroy Sewers
Strathroy Water System
Fleet

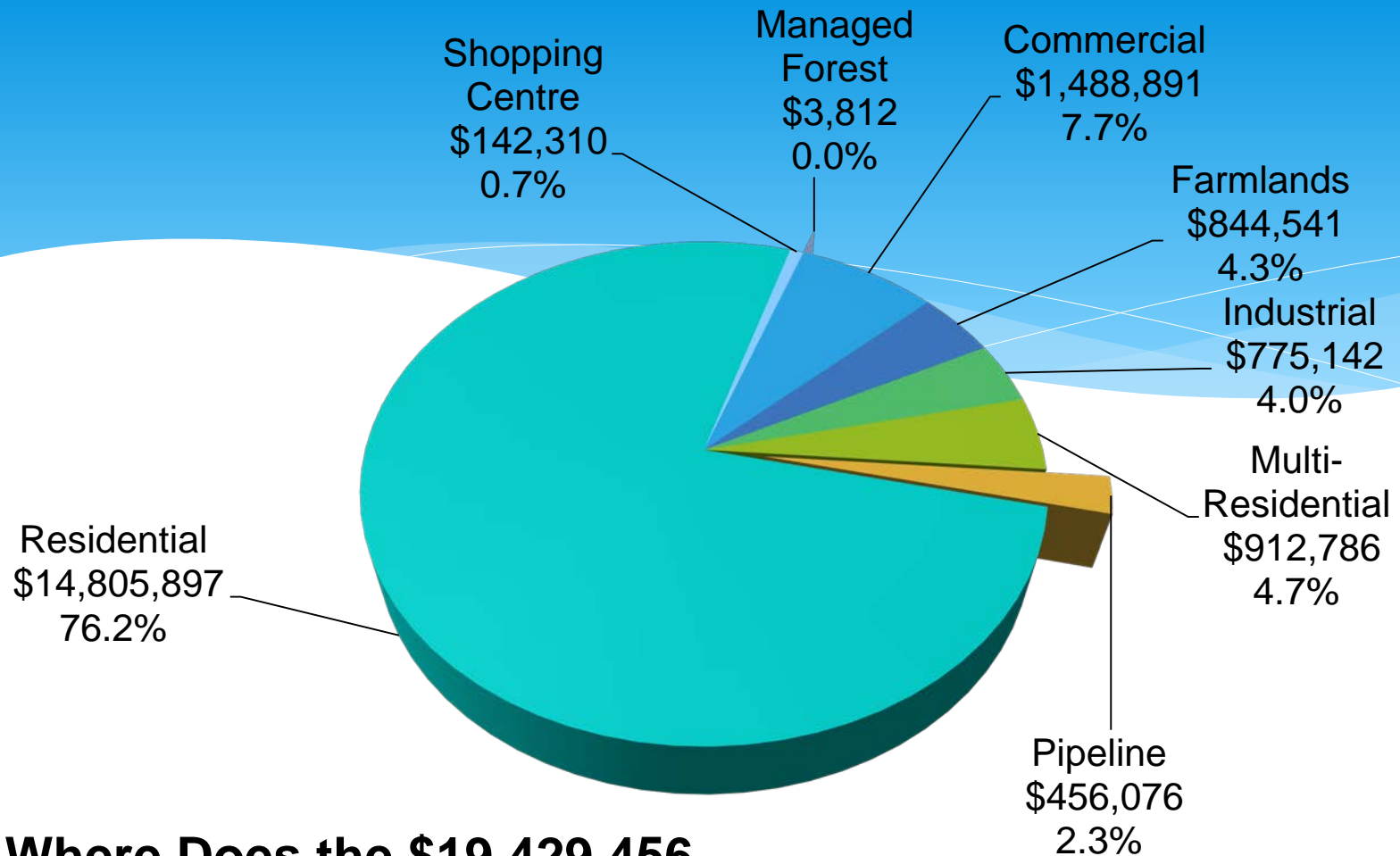
Social Housing
Total Budget - \$127,500
Operating Budget - \$127,500
Capital Budget - \$0
Parkview Manor- Mt. Brydges

Future Needs Reserve
Total Budget - \$1,520,033

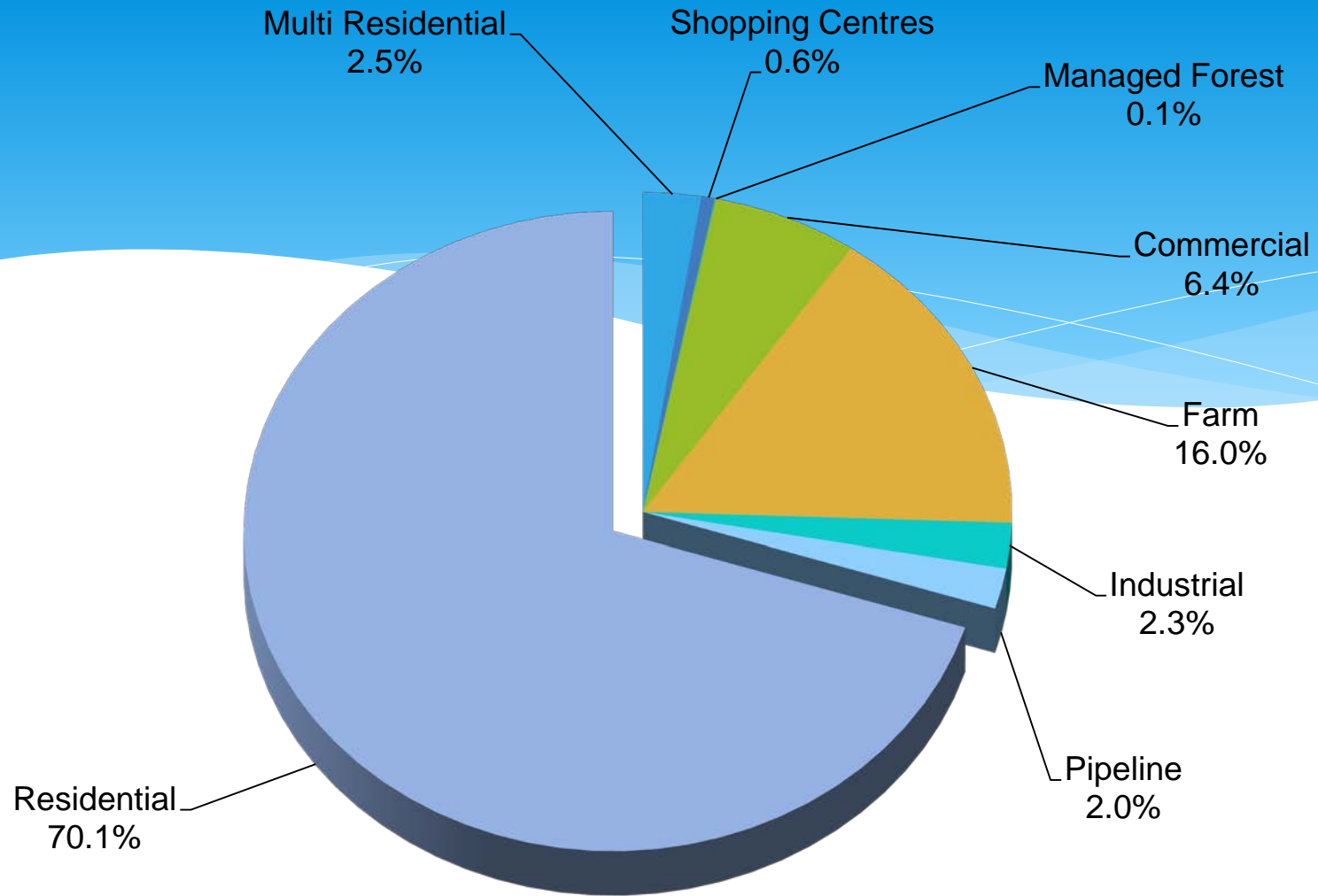




Overall Budget Expenses - \$69,279,581



Where Does the \$19,429,456 In Taxation Come from?

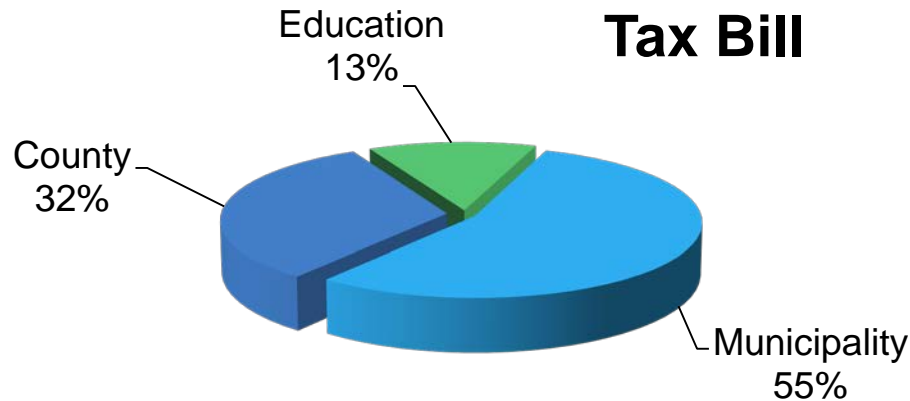


Assessment Class as a % of Total Assessment

Assessment

In 2020, the Municipal levy was 55% of the total tax levy (County 32%, Education 13%)

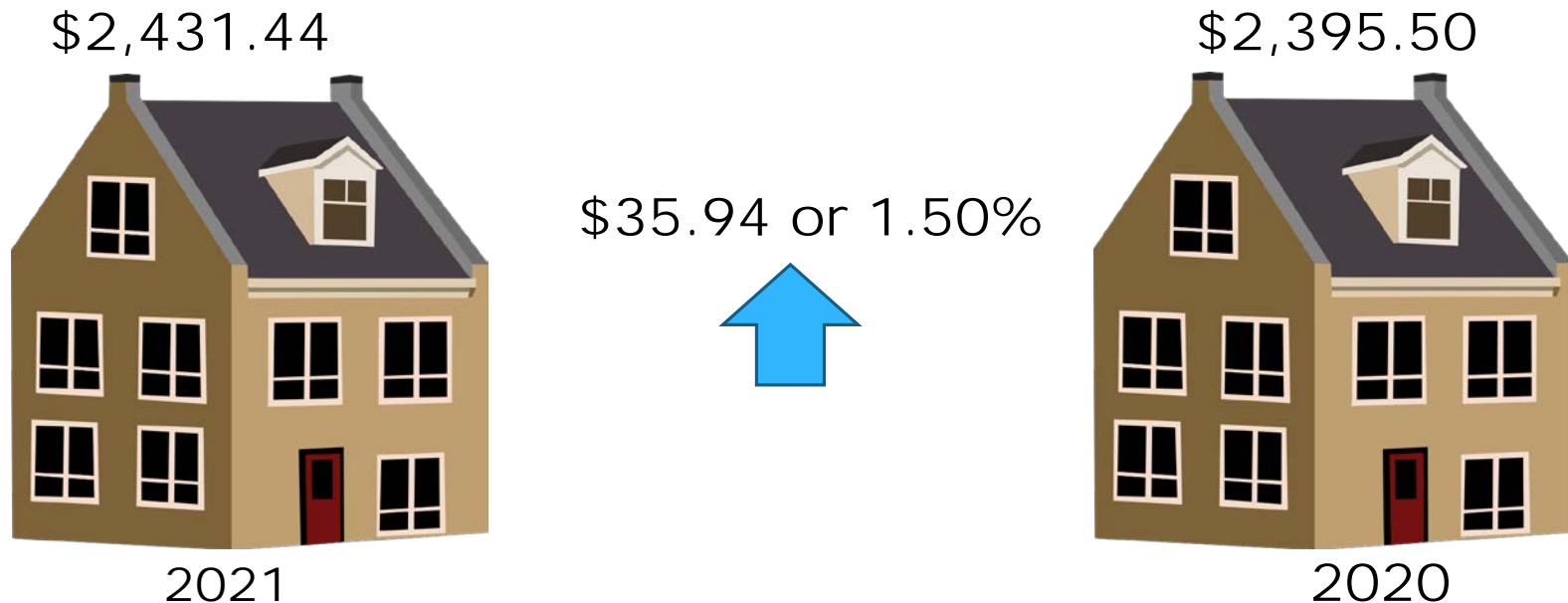
These percentages should not change much unless there is a significant change in the levy for one or more of the above jurisdictions.



Homeowner Impact

* What is my Municipal Tax increase?

For every \$100,000 of assessment the average tax increase is \$10.00. As an example, for a home assessed at \$350,000 the average tax increase is \$35.00:



Note: Excludes the Education tax as set by the Province and County Tax as set by Middlesex County. If there are changes to any of those amounts it will affect the total tax rate.

Comparators

Vulnerability

Addresses a municipality's vulnerability to external sources of funding that it cannot control and its exposure to risks.

2018 Vulnerability Indicators	Strathroy-Caradoc	Total Survey Average
<u>Reserves</u>		
Tax Reserves (less WWW) as % of Taxation	40.3%	76.8%
Tax Reserves as % of Own Source Revenues	29.2%	56.0%
Tax Reserves / Capita	\$ 307	\$ 758
<u>Debt</u>		
Tax Debt Charges as % of Own Source Revenues	1.5%	4.3%
Total Debt Outstanding / Capita	\$ 283	\$ 758
Tax Debt Outstanding / Capita	\$ 158	\$ 509
Debt Outstanding per Own Source Revenue	19.8%	41.5%
Debt to Reserve Ratio	0.2	0.9

Comparators

2019 Property Taxes	Strathroy- Caradoc	Total Survey Average	Southwest
Detached Bungalow	\$ 2,852	\$ 3,449	\$ 3,032
2 Storey Home	\$ 3,736	\$ 4,611	\$ 4,311
Senior Executive Home	\$ 4,851	\$ 6,418	\$ 6,075
Walk Up Apartment (per Unit)	\$ 1,400	\$ 1,403	\$ 1,320
Mid/High Rise (per Unit)	N/A	\$ 1,756	\$ 1,796
Neigh. Shopping (per sq. ft.)	\$ 2.92	\$ 3.72	\$ 3.41
Office Building (per sq. ft.)	\$ 2.64	\$ 3.13	\$ 3.01
Hotels (per Suite)	N/A	\$ 1,628	\$ 1,550
Motels (per Suite)	N/A	\$ 1,239	\$ 1,237
Industrial Standard (per sq. ft.)	\$ 1.35	\$ 1.69	\$ 1.41
Industrial Large (per sq. ft)	\$ 0.90	\$ 1.16	\$ 1.04
Industrial Vacant Land (per Acre)	\$ 766	\$ 4,097	\$ 2,334



Questions?



Urban Opportunity – Rural Hospitality