

Budget Presentation

March 23, 2015



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.

Source FCM 2012 report



Financial Pressures Facing The Municipality

- 1. OMFP Funding reduced by \$113,500, or \$213,700 over the pass two years (32% decrease)**
- 2. Assessment gap - supplemental payments are delayed**
- 3. Tax appeals are increasing and having long-term effects**
- 4. Infrastructure grants going forward are tied to Asset Management Plans that are up to date**

The Finance Committee recommends the budget before you tonight. The budget package outlines the tax dollars required to meet expenditures for 2015 is \$14,590,905, an increase of \$668,513, or 4.80% increase, over 2014.

Year	Taxation	Non-Tax Funding	Total
2014	\$13,922,392	\$16,132,967	\$30,055,359
2015	\$14,590,905	\$14,981,894	\$29,572,799



Comparison to 2014 taxation

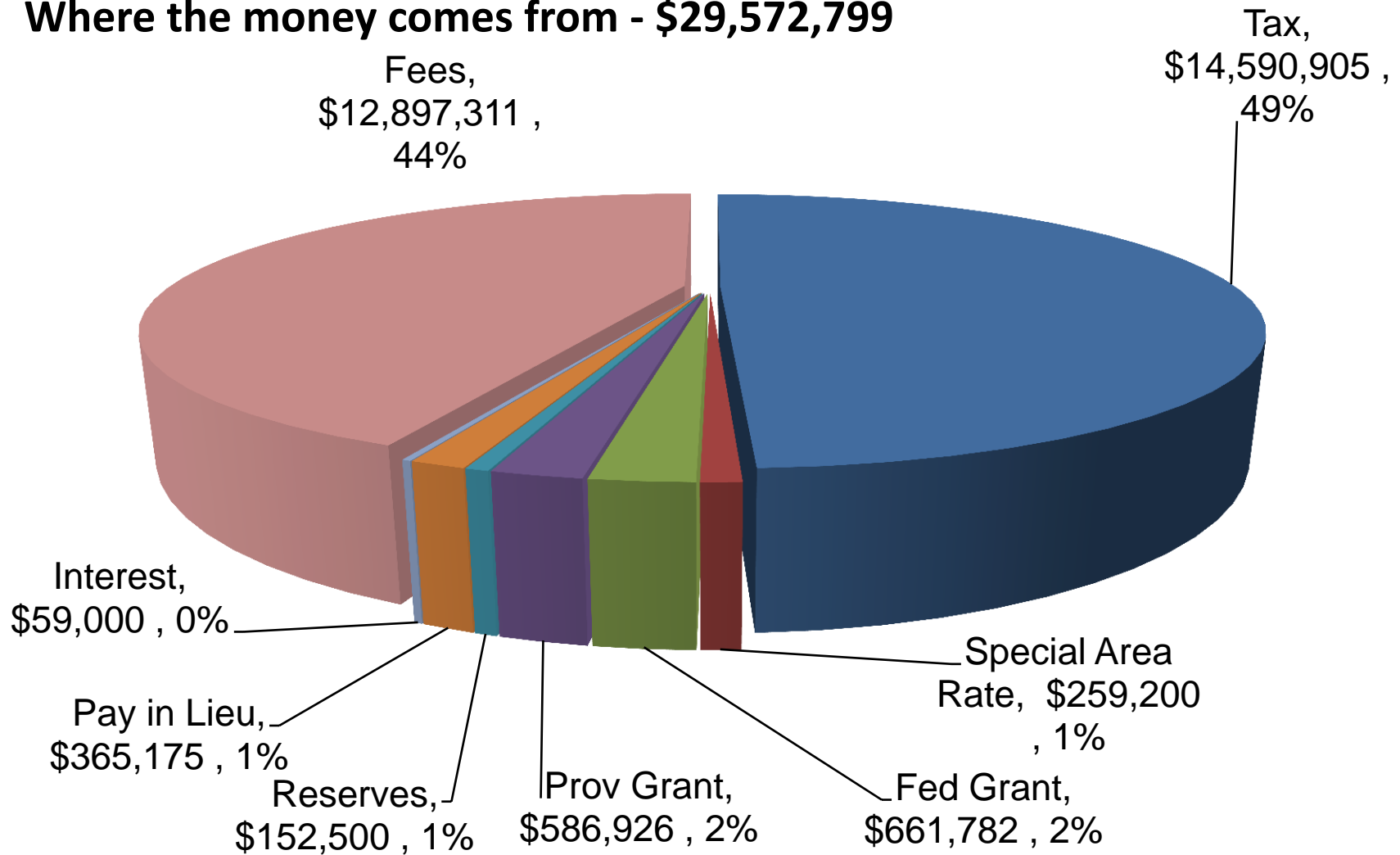
Component	2014 Tax Increase	% Inc	2015 Tax Increase	% Inc
Operations	\$118,472	0.88%	\$96,685	0.80%
Capital-Fleet	\$127,336	1.02%	\$0	0%
General Grants-Revenues			\$343,500	2.4%
Asset Mgmt. Plan			\$228,328	1.60%
TOTALS	\$245,808	1.90%	\$668,513	4.80%

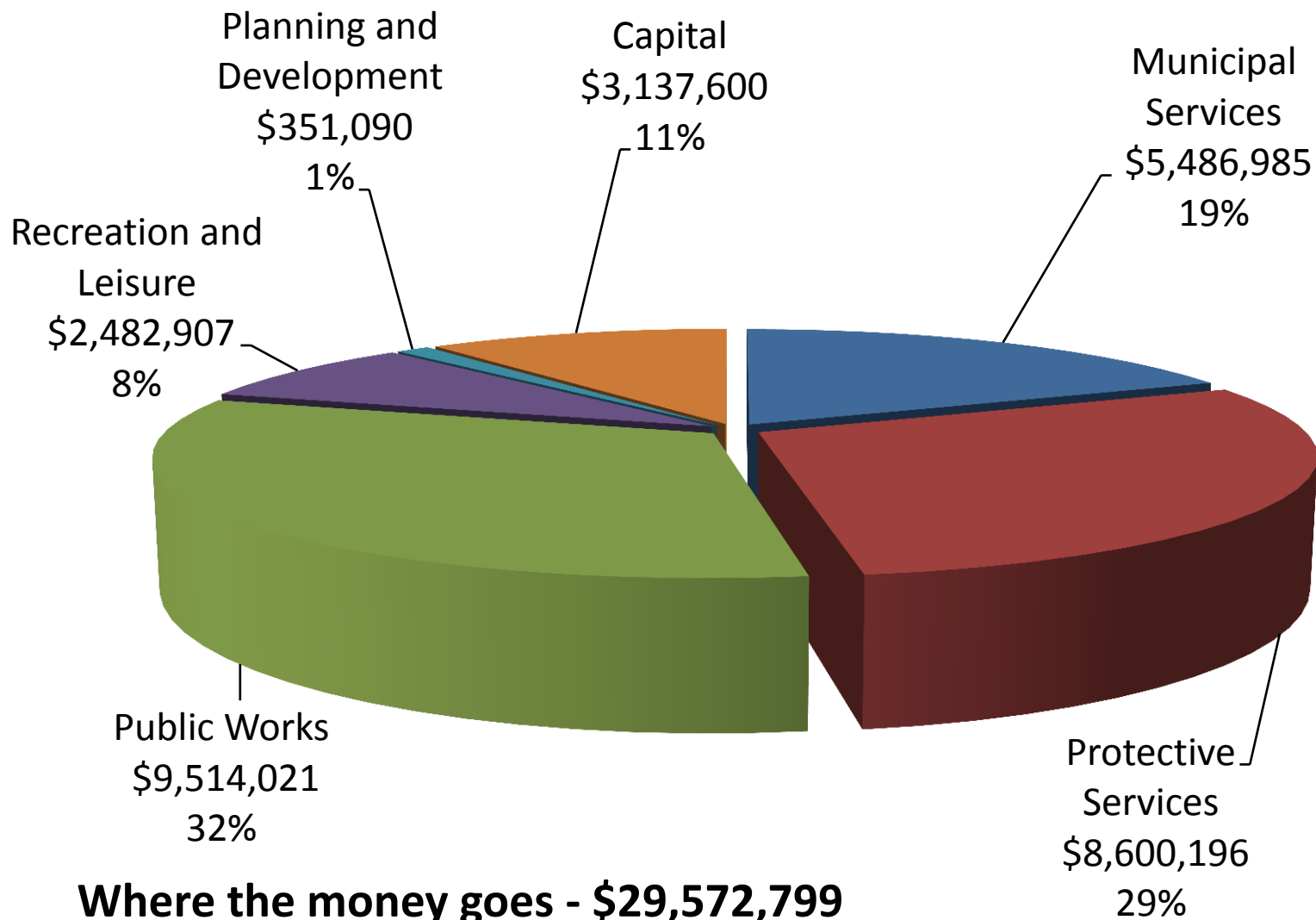
Although the tax revenue increase is \$668,513 or 4.8%, the tax rate increase is 2.8%. The additional 2.0% will be recognized from the combined 1.0% estimated Phased in Growth, and the 1.0% estimated New Growth.

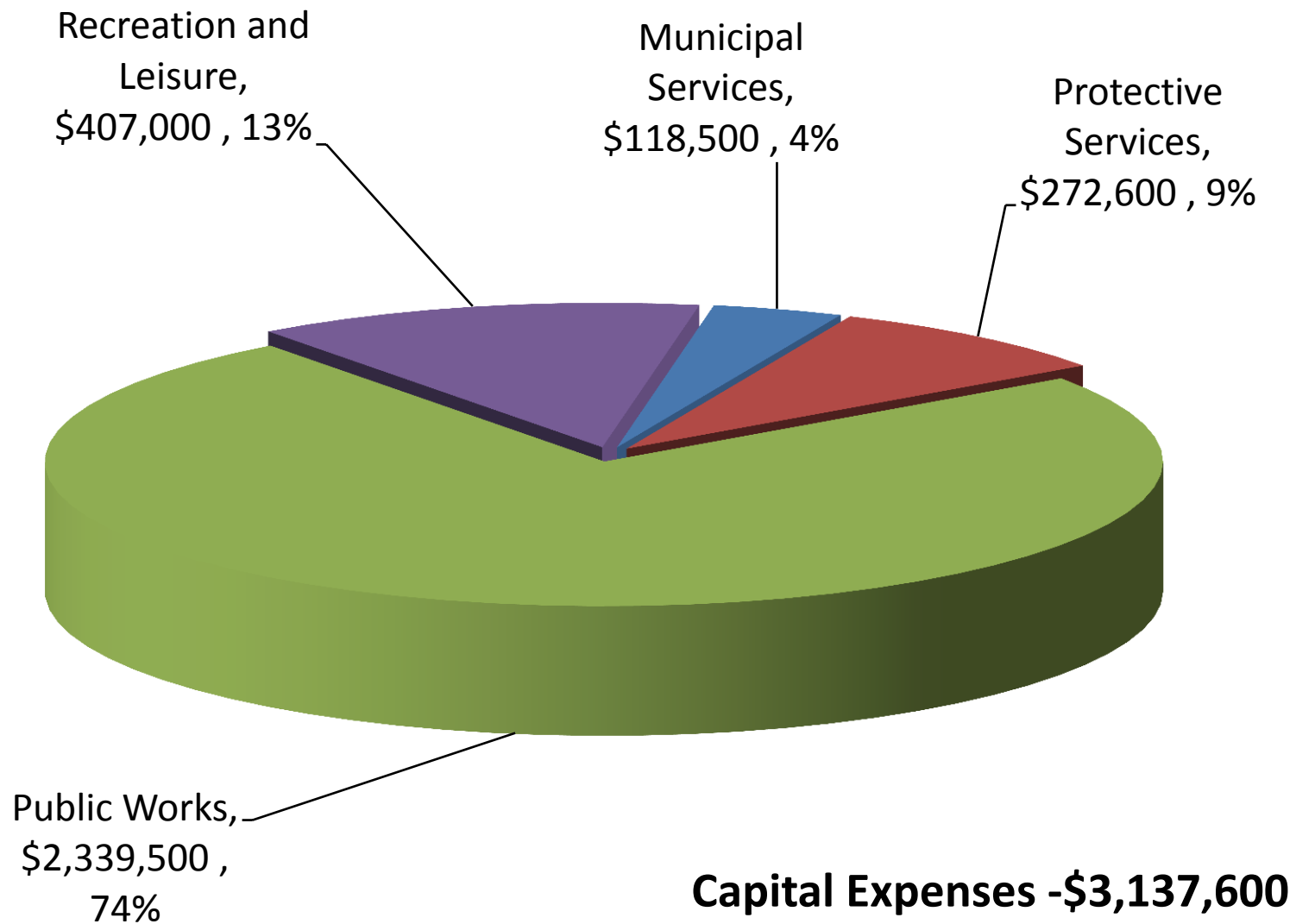
Special Area Rating - Street lighting

Service Area	2014	2015
Ward 1 – Strathroy	\$174,000	\$174,000
Mount Brydges	\$28,500	\$25,000
Melbourne	\$7,000	\$6,500

Where the money comes from - \$29,572,799







List of Capital Projects: **(Tax Levy)**

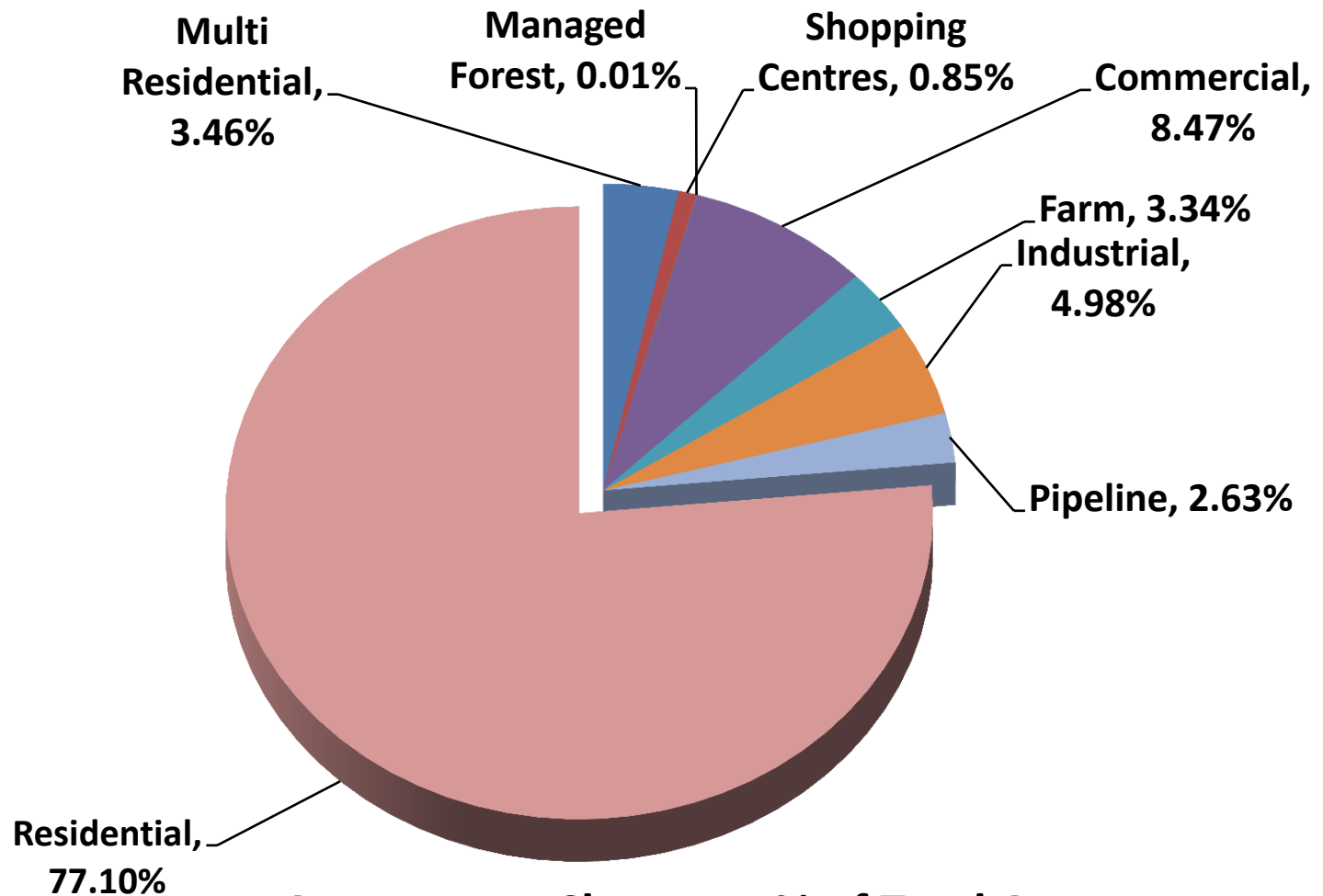
- **Municipal Services - \$118,500 (\$96,000)**
 - IT Upgrade equipment -Software
 - Cemetery - Columbarium
- **Recreation & Leisure - \$407,000 (\$235,750)**
 - Tri-Township Arena upgrades
 - Gemini-WMMC Arena upgrades
 - Recreation Master plan
 - Parks upgrades
- **Public Works - \$2,339,500 (\$117,249)**
 - County road assumption
 - Tar and Chip
 - Sidewalk Upgrades (an additional \$78,000 was added to this line item during budget deliberations)
 - Storm water management plan
 - Various Water and Wastewater Projects
 - Caradoc St. water-sewer/road work
 - McKellar St. Design work

List of Capital Projects: (Continued)

- **Protective Services - \$272,600 (\$272,600)**
 - Upgrades to Police equipment
 - Upgrades to the Police fleet
 - Replacement of Police HVAC unit
 - Upgrades to Fire Dept. equipment in all three Fire Stations
 - Continued contribution for Aerial Truck replacement

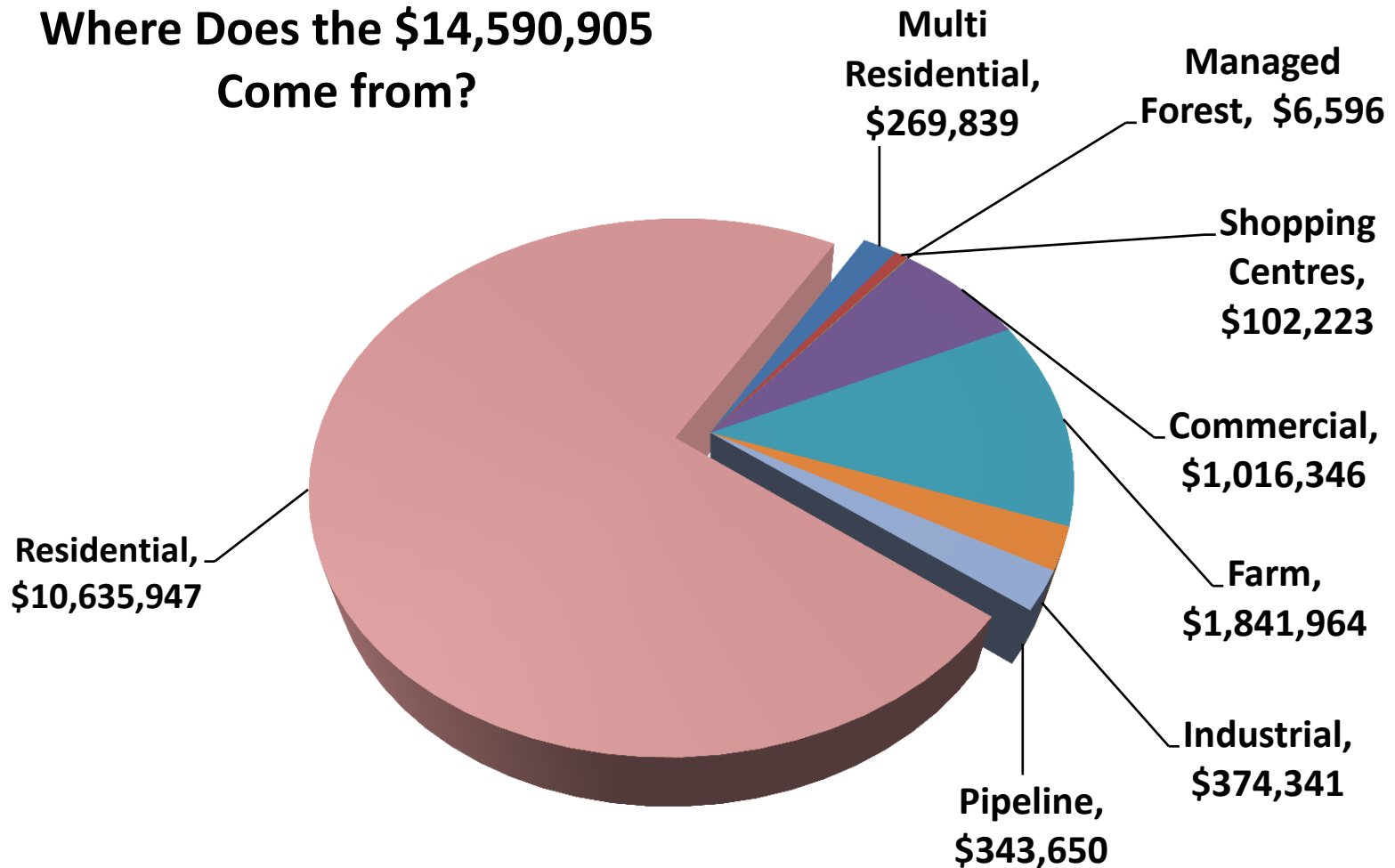
One in five dollars for capital projects comes from taxation, balance is provide through grants, user fees or other sources.





Assessment Class as a % of Total Assessment

Where Does the \$14,590,905 Come from?



Assessment

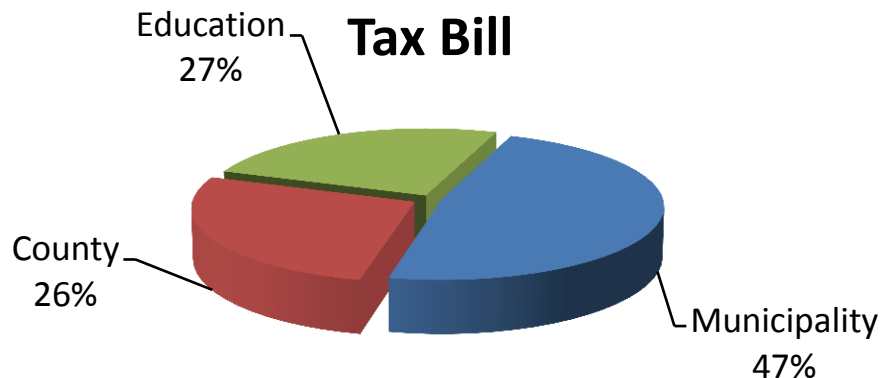
In 2014, the Municipal levy was 48% of the total tax levy (County 27%, Education 25%)
These percentages should not change much unless there is a significant change in the levy for one or more of the above jurisdictions.

Impact of assessment growth:

In 2014, the total taxable assessment increase for growth is 1.04%. Assessment growth is new assessment for new/additions to homes, farms, businesses, and industrial and commercial properties.

Impact of phase-in assessment:

In 2014 the average house in the Municipality saw a phased-in assessment increase of 1.09%



The effect of the 2.8% tax rate increase on an \$200,000 home in the Municipality

Comparative Tax Increase for 2014 vs. 2015			
Year	Assessed Value	Local Tax Rate	Taxes
2014	\$200,000	0.00703776	\$1,407.55
2015	\$200,000	0.00723481	\$1,446.96
Increase		0.00019705 (2.8%)	\$39.41

Note: This is for municipal portion only, exclusive of area ratings, School Boards and County levies



Questions?



Urban Opportunity — Rural Hospitality