

Budget Presentation

April 7, 2014



Canadian municipalities receive just \$0.08 of every tax dollar collected in Canada

- ✓ **\$0.50 goes to the federal government**
- ✓ **\$0.42 goes to the provincial/territorial governments**

Source FCM 2008 report



So how does that \$0.08 of the tax money get spent locally?

Municipal: 47% (\$0.04)

- **Corporate Services**
 - **Licensing**
 - **Crossing Guards**
 - **Animal Control**
- **Parks & Recreation**
 - **Arenas**
 - **Pools**
 - **Parks**
 - **Recreation Programs**
 - **Walking Trails**
- **Community & Culture**
 - **Museum**
 - **Horticultural Maintenance**
 - **BIA (Business Improvement Area)**
 - **Progress Through Partnership**
- **Environmental**
 - **Storm Water Management**
- **Roads**
 - **Roads**
 - **Summer-Winter Maintenance**
 - **Sidewalks**
 - **Trees**
 - **Streetlights**
- **Planning**
 - **Planning/Development**
 - **Economic Development**
- **Drainage and Waste Management**
 - **Drainage**
 - **By-law Enforcement**
 - **Recycling**
 - **Transfer Stations**
- **Protective Services**
 - **Fire Service**
 - **Police Service**

So how does that \$0.08 of the tax money get spent locally?

County: 26% (\$0.02)

- **Roads**
- **Economic Development**
- **Emergency Services**
 - **Ambulance service**
 - **Emergency Management**
- **Library**
- **Strathmere Lodge**
- **County Planning**
- **Ontario Works**
- **Affordable Housing**
- **Child care**

Education: 27% (\$0.02)

- **Elementary Education**
- **Secondary Education**
- **Adult Education**

Financial Pressures Facing The Municipality

- 1. Three new facilities are opening in 2014, Aquatic Center, Strathroy Splash-pad, and Mt. Brydges Splash-pad**
- 2. OMFP Funding reduced by \$100,200**
- 3. Operating cost are increasing faster than revenues**
 - 1% increase in Municipalities expenses = \$230,000**
 - 1% increase in property taxes = \$130,000**
 - 1% increase for an average homeowner = \$14**

Finance Committee after several meetings which started in December 2013 and concluded at its meeting March 31st, 2014 recommends the budget before you tonight. The budget package outlines the tax dollars required to meet expenditures for 2014 is \$13,922,392, an increase of \$245,808, or 1.90% increase, over 2013.

Component	Taxation	Non-Tax Funding	Total
Operation	\$13,100,793	\$12,619,336	\$25,720,129
Capital	\$821,599	\$3,513,631	\$4,335,230
Total Municipal Budget	\$13,922,392	\$16,132,967	\$30,055,359

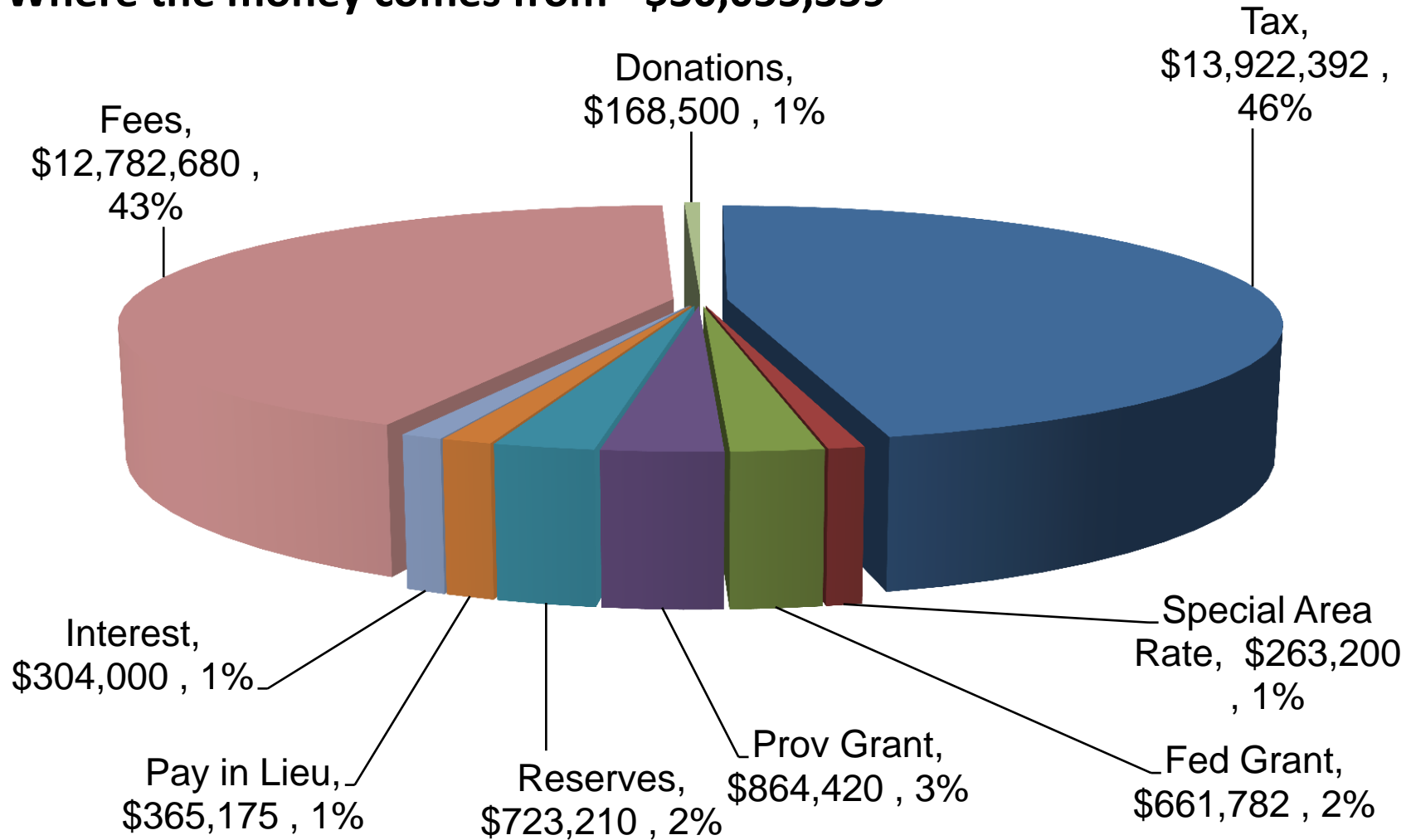
Comparison to 2013 taxation

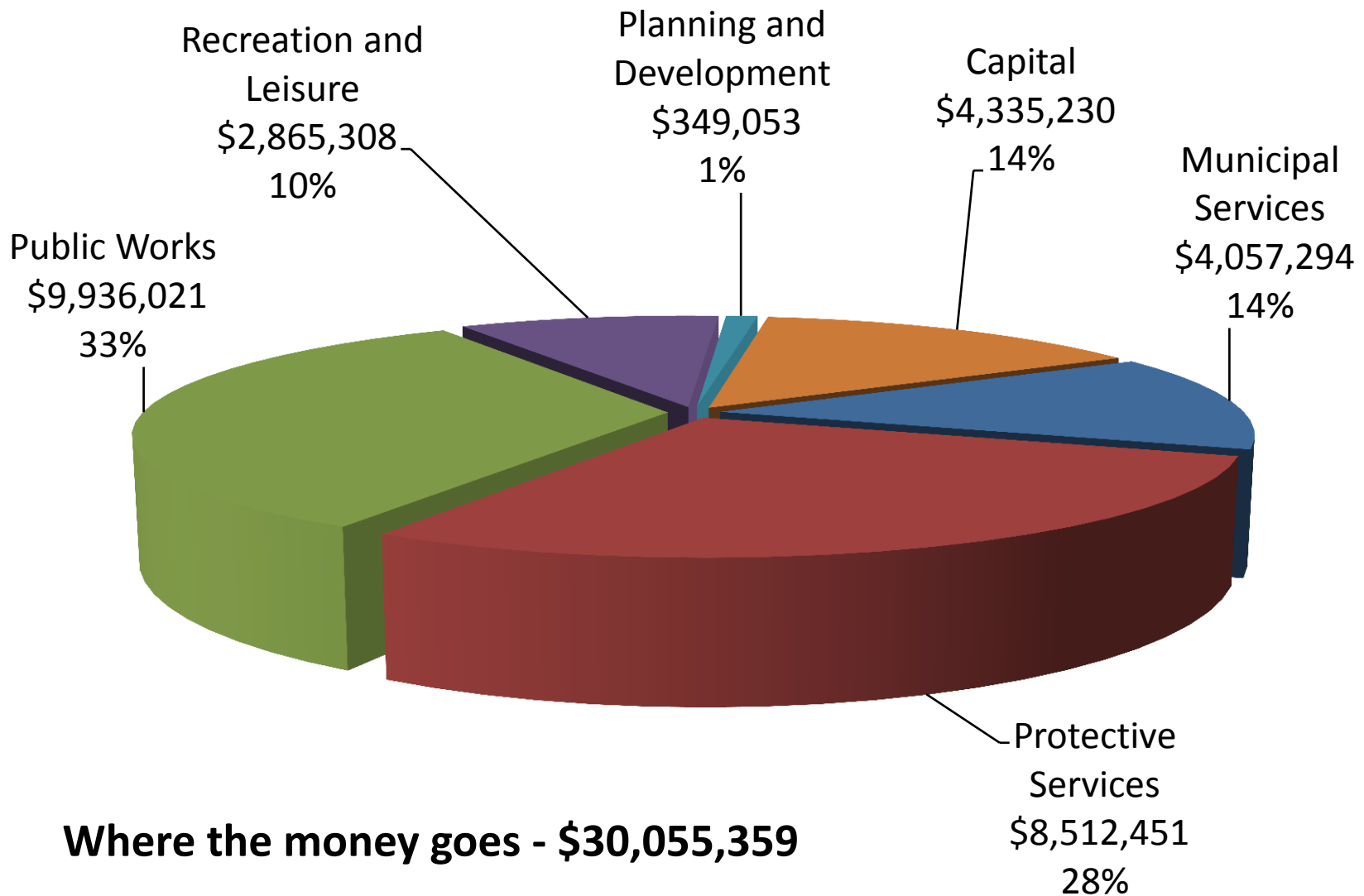
Component	2013 Tax Increase	% Inc	2014 Tax Increase	% Inc
OPERATIONS	\$72,148	0.56%	\$118,472	0.88%
CAPITAL	\$744,263	5.78%	\$127,336	1.02%
TOTALS	\$816,411	6.35%	\$245,808	1.90%

Special Area Rating - Street lighting

Service Area	2013	2014
Ward 1 – Strathroy	\$159,450	\$174,000
Mount Brydges	\$26,200	\$27,000
Melbourne	\$5,500	\$7,000
Campbellvale	\$1,500	\$1,500

Where the money comes from - \$30,055,359



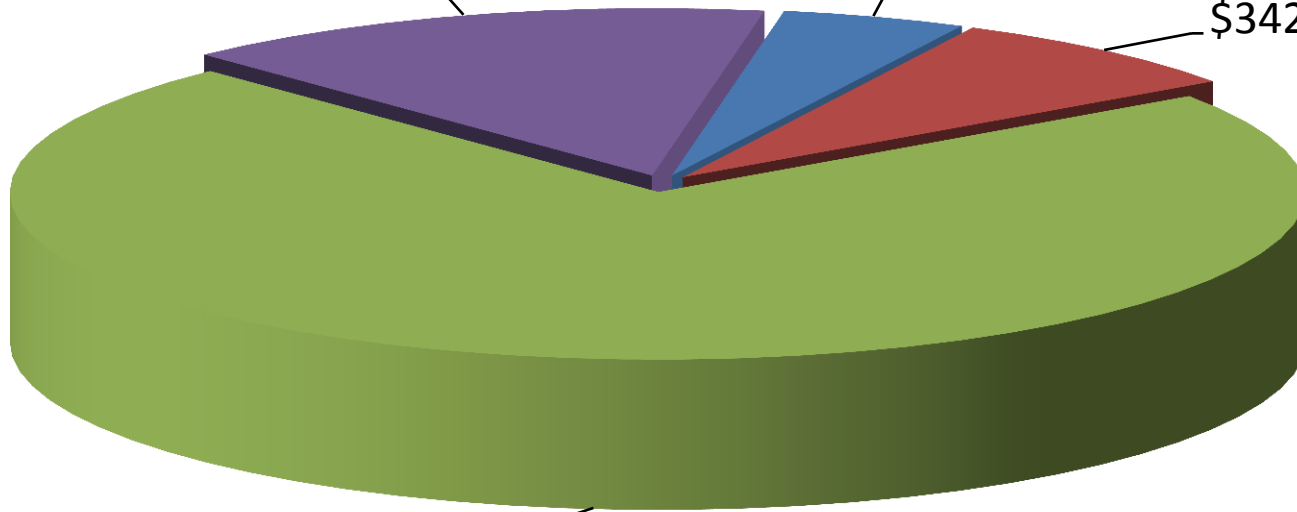


Where the money goes - \$30,055,359

Recreation and
Leisure,
\$647,500 , 15%

Municipal
Services,
\$200,000 , 5%

Protective
Services,
\$342,724 , 8%



Public Works,
\$3,145,006 ,
72%

Capital Expenses - \$4,335,230

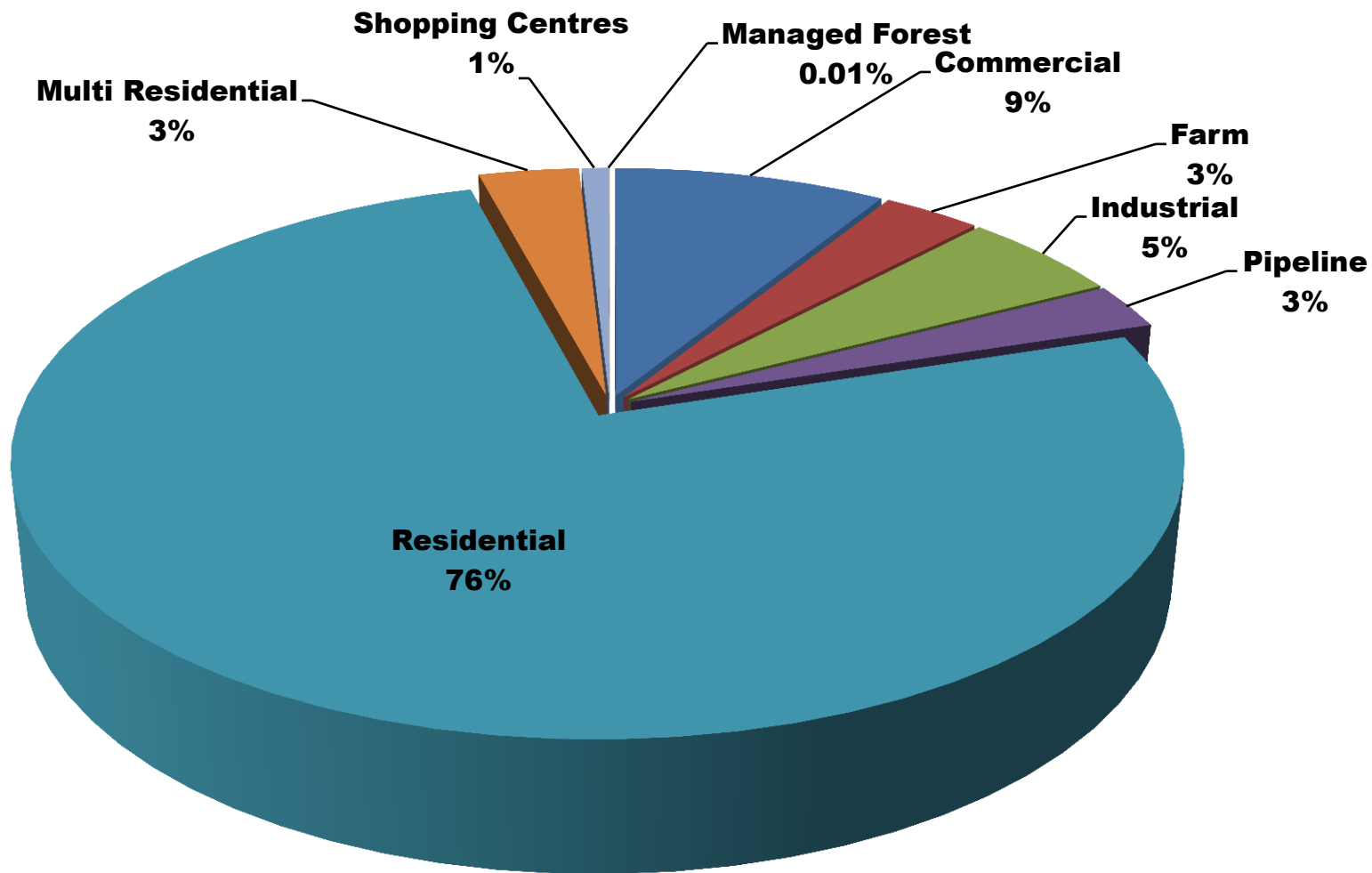
List of Capital Projects: **(Tax Levy)**

- **Municipal Services - \$200,000 (\$169,875)**
 - IT Upgrade equipment and council chambers **(\$70,000)**
 - Tri-Township Arena upgrades **(\$99,875)**
- **Recreation & Leisure - \$647,500 (\$120,500)**
 - Sir Arthur Currie Statue
 - Library Renovations Strathroy and Mt. Brydges
 - Arena upgrades
 - Recreation Master plan
 - Parks upgrades
 - Mt. Brydges Splash-pad
- **Public Works - \$3,145,006 (\$188,500)**
 - County road assumption
 - Tar and Chip Ward #2
 - Sidewalk Upgrades Ward #1
 - Storm water management plan
 - Various Water and Wastewater Projects
 - Metcalfe St. W sewer/road work
 - Carroll St. sewer/road work

List of Capital Projects: (Continued)

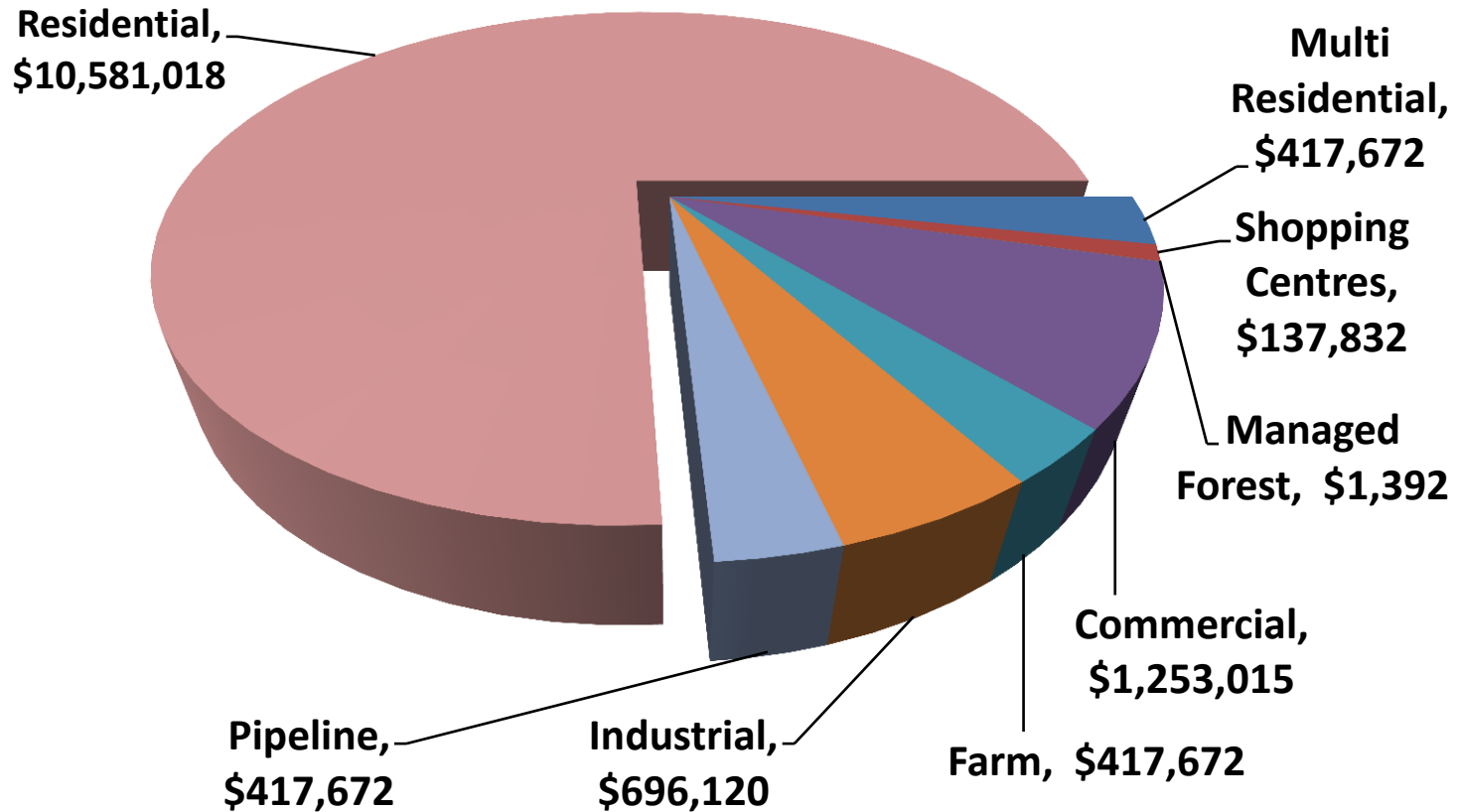
- **Protective Services - \$342,724 (\$342,724)**
 - Small equipment upgrades to Police services
 - Upgrades to the police vehicle fleet
 - Small equipment upgrades to Fire services
 - Defibrillator Mt. Brydges Fire Station
 - Contribution for Aerial Truck replacement in 2015

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



Assessment As A Percentage

Where Does the \$13,922,392 Come from?



Assessment

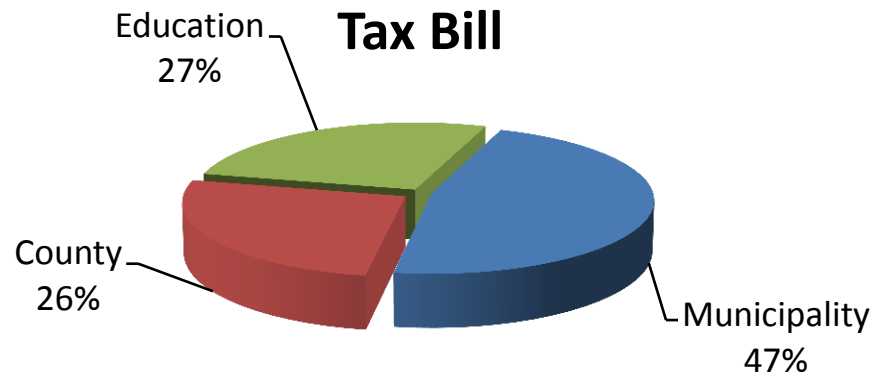
In 2013, the Municipal levy was 47% of the total tax levy (County 26%, Education 27%)
These percentages should not change much unless there is a significant change in the levy for one or more of the above jurisdictions.

Impact of assessment growth only:

In 2014, the total taxable assessment increase for growth is 0.88%. Assessment growth is new assessment for new/additions to homes, farms, businesses, and industrial and commercial properties.

Tax rate increase for 2014 phase-in assessment:

In 2014 the average house in the Municipality saw a phased-in assessment increase of 1.03%



The effect on the average household in the Municipality

	% Increase
Proposed budget tax levy increase	1.90%
Less Total Assessment Growth (From new homes, new businesses, etc.)	(0.88%)
Tax levy increase after reduction from above new growth	1.02%
Less Average Phased-in Assessment (increase in property values)	(1.03%)

The effect of the 1.03% tax levy increase on an average household in the Municipality

Comparative Tax Increase for 2013 vs 2014			
Year	Assessed Value	Local Tax Rate	Taxes
2013	\$200,000	0.00703776	\$1,407.55
2014	\$202,060	0.00703776	\$1,422.05
Increase	\$2,060	0.00	\$14.50

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



Questions?



Urban Opportunity — Rural Hospitality