



2017 Budget Presentation March 6, 2017

2017 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

Dec. 5,
2016

- Discussion regarding the hospital request for \$2 million over 10 years

Dec 19,
2016

- Approved Schedule of Fee and Charges with the exception of Parks and Recreation which was approved on January 9, 2017
- Approved compensation adjustments for Elected Officials and Non-Union Wages

Jan 16,
2017

- 2017 Draft Operating Budget Presentation
- Investments on Hand
- Taxation and Grants
- Debt Schedule

Jan 30,
2017

- Presentation of Capital Project requests
- 2017 Draft Consolidated Capital Budget
- 5 Year Capital Project Listing

Feb 6,
2017

- Presentation of Community Partnership Fund and Donation Requests
- 2017 Revised Capital Budget
- Discussion regarding the hospital request and approval of a \$100,000 per year for 2 years

Feb 13,
2017

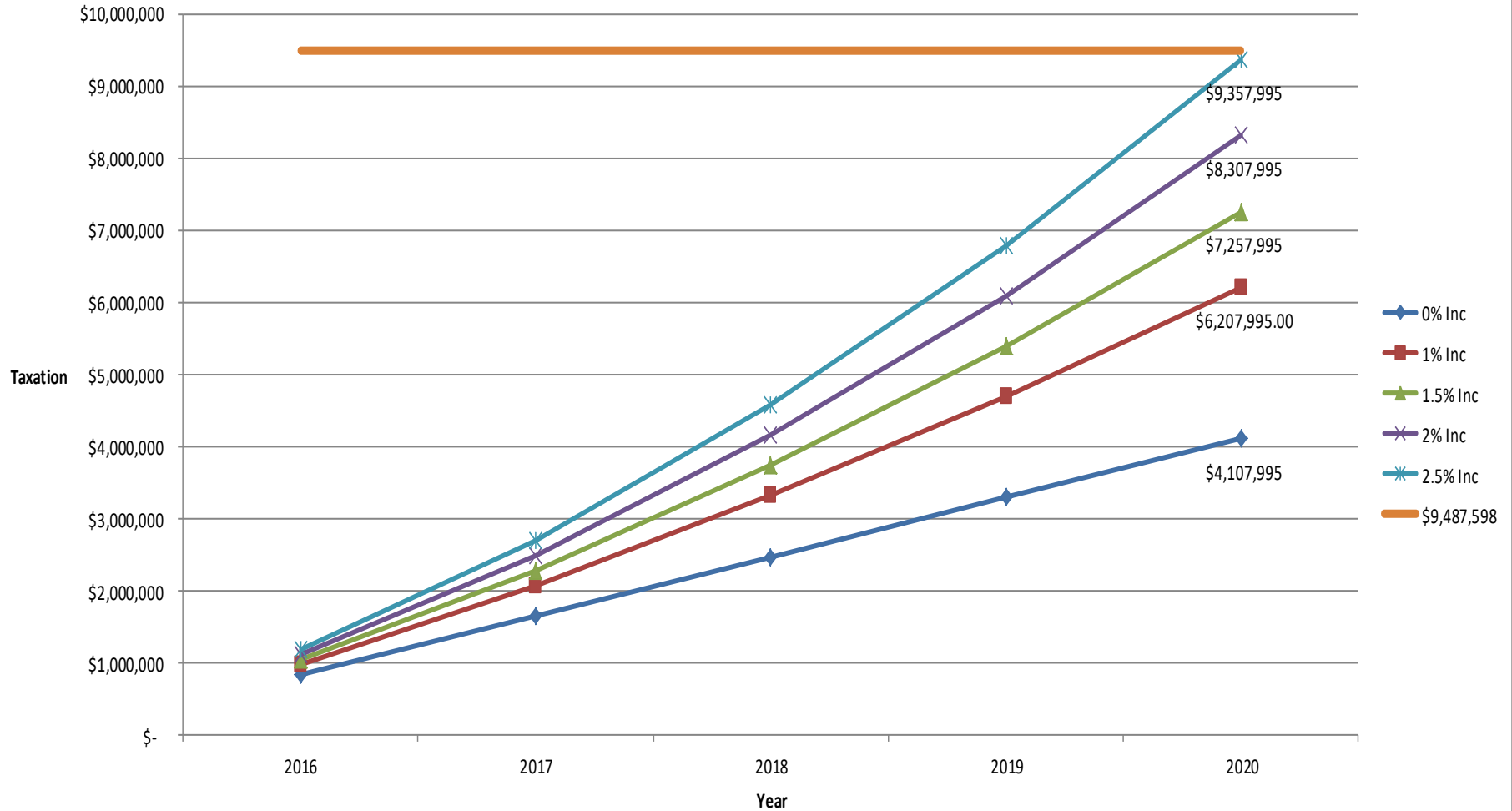
- 2017 Final Consolidated Operating and Capital Budget

Highlights and Lowlights

- 1. Municipal Debt is dropping by \$1.7 million every year if no new debt is taken, municipality will be debt free by 2026 (9 years)**
- 2. Municipal Reserve funds are being rebuilt to ensure municipal funding is available when capital project comes due**
- 3. Municipal fleet program has been expanded to ensure funding is available when equipment needs replacing**
- 4. Development charges are being better utilized to ensure they pay for future development**
- 5. OMFP Funding reduced by \$57,900, or \$339,700 since 2013 which represents a 50% cut in funding**



2020 Forecast Capital Tax Required



At the Finance Committee meeting February 13, 2017, the Finance Committee recommended the 2017 consolidated budget as amended, reflecting an **overall increase taxation of 2.34%** be approved for presentation to the public on March 6, 2017.

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



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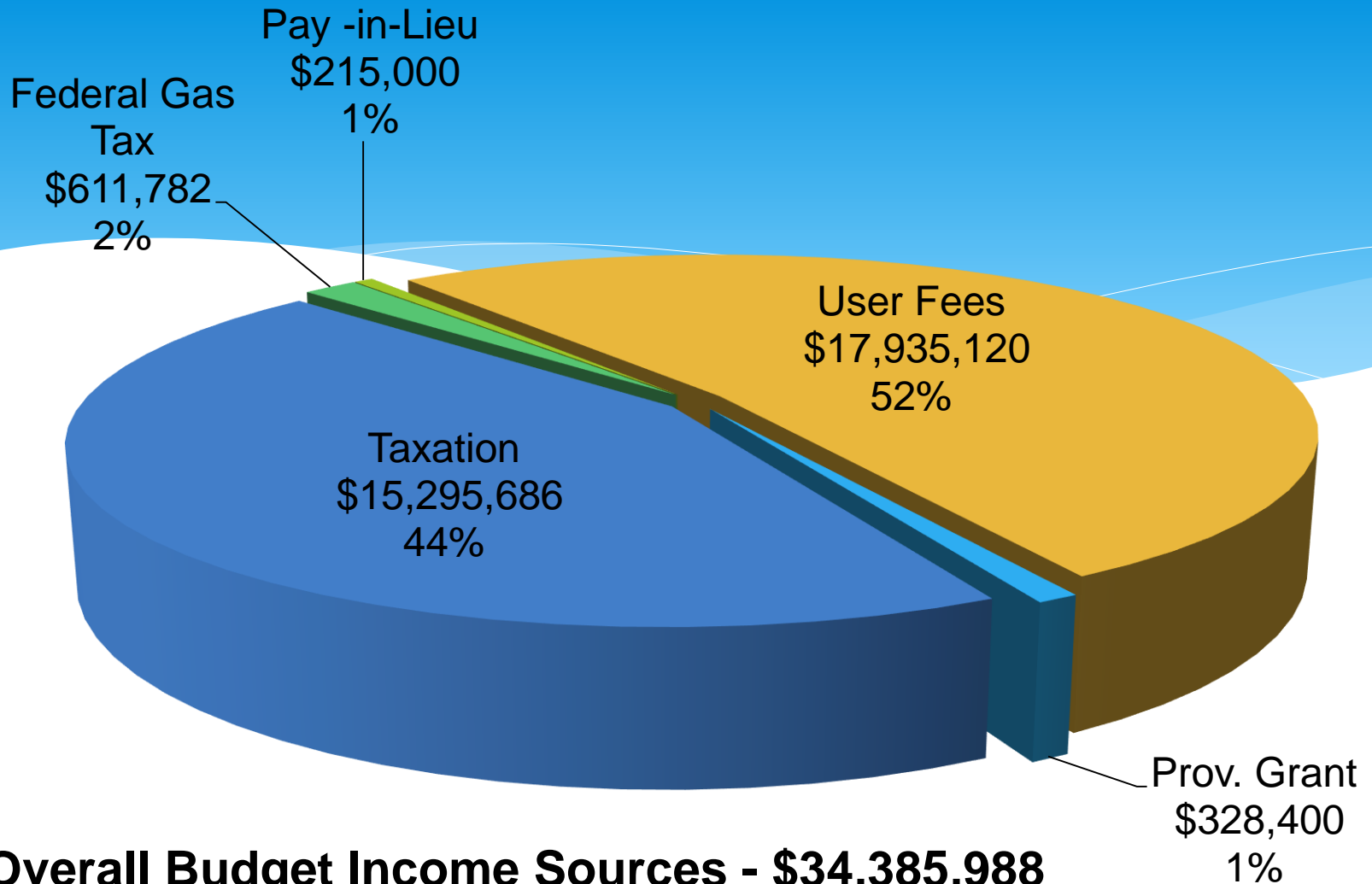
Summary of 2017 Proposed Tax Increase

	% in Tax Dollars	Tax \$
Available Reallocation of Tax Dollars	3.49%	\$524,178
Reallocate to 2017 Operating Budget	(1.54%)	(\$230,868)
Reallocate to Increase in Fleet Payments	(1.08%)	(\$162,693)
Hospital Donation	(0.67%)	(\$100,000)
New Taxation required to complete the above	(0.20%)	(\$30,617)
New Tax required for 2017 Capital Budget	2.54%	\$381,000
Tax Increase required	2.34%	\$350,383

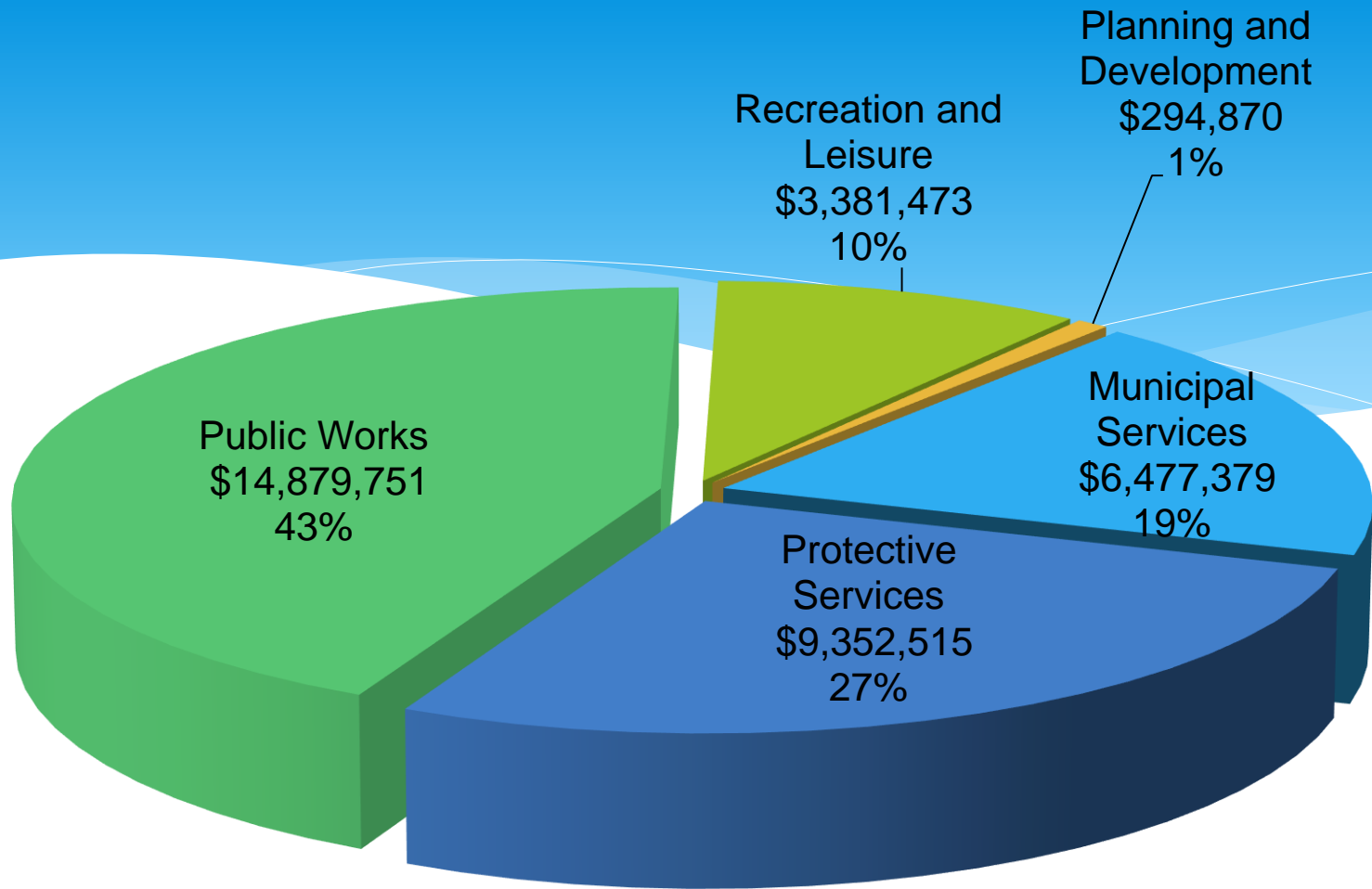
Comparison to 2016 Taxation

Component	2016 Tax Increase	% Inc	2017 Tax Increase	% Inc
Operations	\$149,700	1.00%	(\$30,617)	(0.20%)
Capital	\$197,449	1.40%	\$381,000	2.54%
TOTALS	\$347,149	2.40%	\$350,383	2.34%

Asset Management Plan: In the 2015 and 2016 Municipal Budget council approved that a portion of 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. Council has approved the same treatment of the taxation achieved through growth and phased-in growth assessment for the 2017 budget that it be applied to the Asset Management Plan.



Overall Budget Income Sources - \$34,385,988



Overall Budget Expenses - \$34,385,988

Service Areas – Business Units

Municipal Services
Total Budget - \$6,477,379
Operating Budget- \$6,124,879
Capital Budget - \$352,500
Animal Control
Council
Crossing Guards
General Government
Information Technology
Property Management
Municipal Debt
Taxations & Grants

Recreation and Leisure
Total Budget - \$3,381,473
Operating Budget- \$2,728,973
Capital Budget - \$652,500
Aquatics
Arena
Caradoc Community Centre
Recreation
Library Operations
Museum Operations
Parks Operations
Scout Hut

Public Works
Total Budget - \$14,879,751
Operating Budget- \$6,297,478
Capital Budget - \$8,582,273
Cemetery
Mount Brydges Sewers
Mount Brydges Water System
Roads
Strathroy Sewers
Strathroy Water System
Streetlights

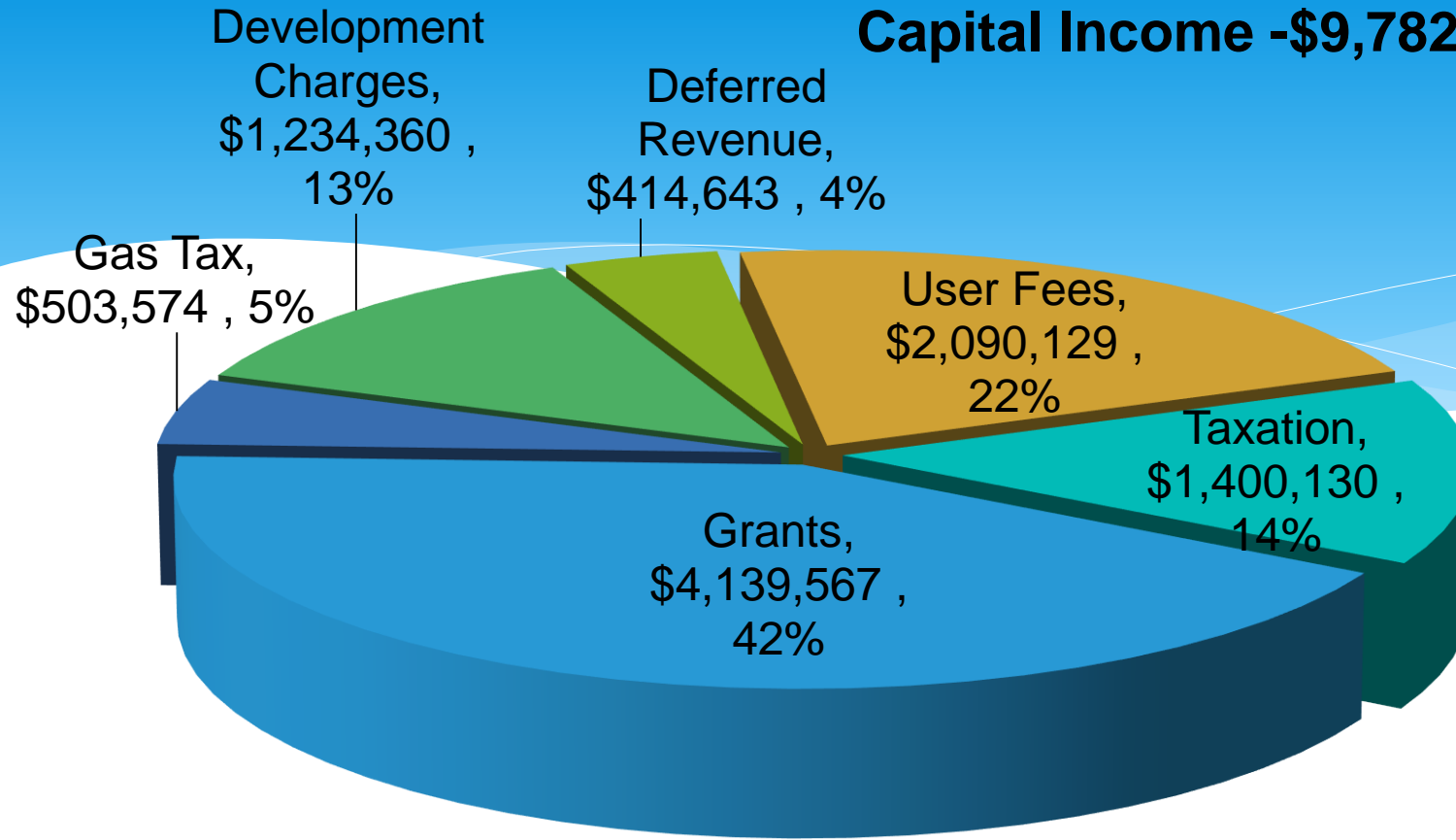
Protective Services
Total Budget - \$9,352,515
Operating Budget- \$9,157,385
Capital Budget - \$195,130
Building Inspection
Drainage
Fire Service
Police Service
Property Standards
Solid Waste

Planning and Development
Total Budget - \$294,870
Operating Budget- \$294,870
Capital Budget - \$0
Economic Development
Planning Operations

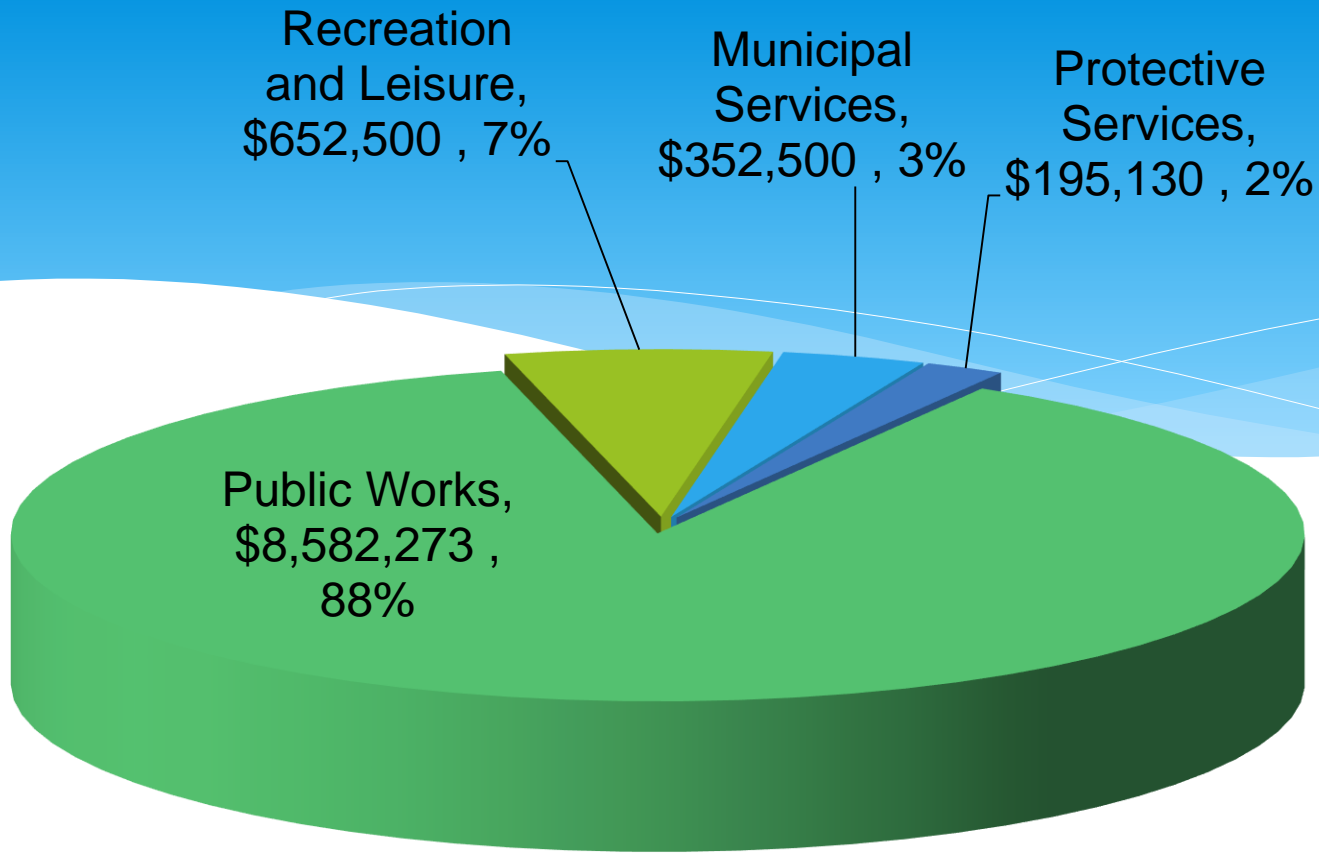


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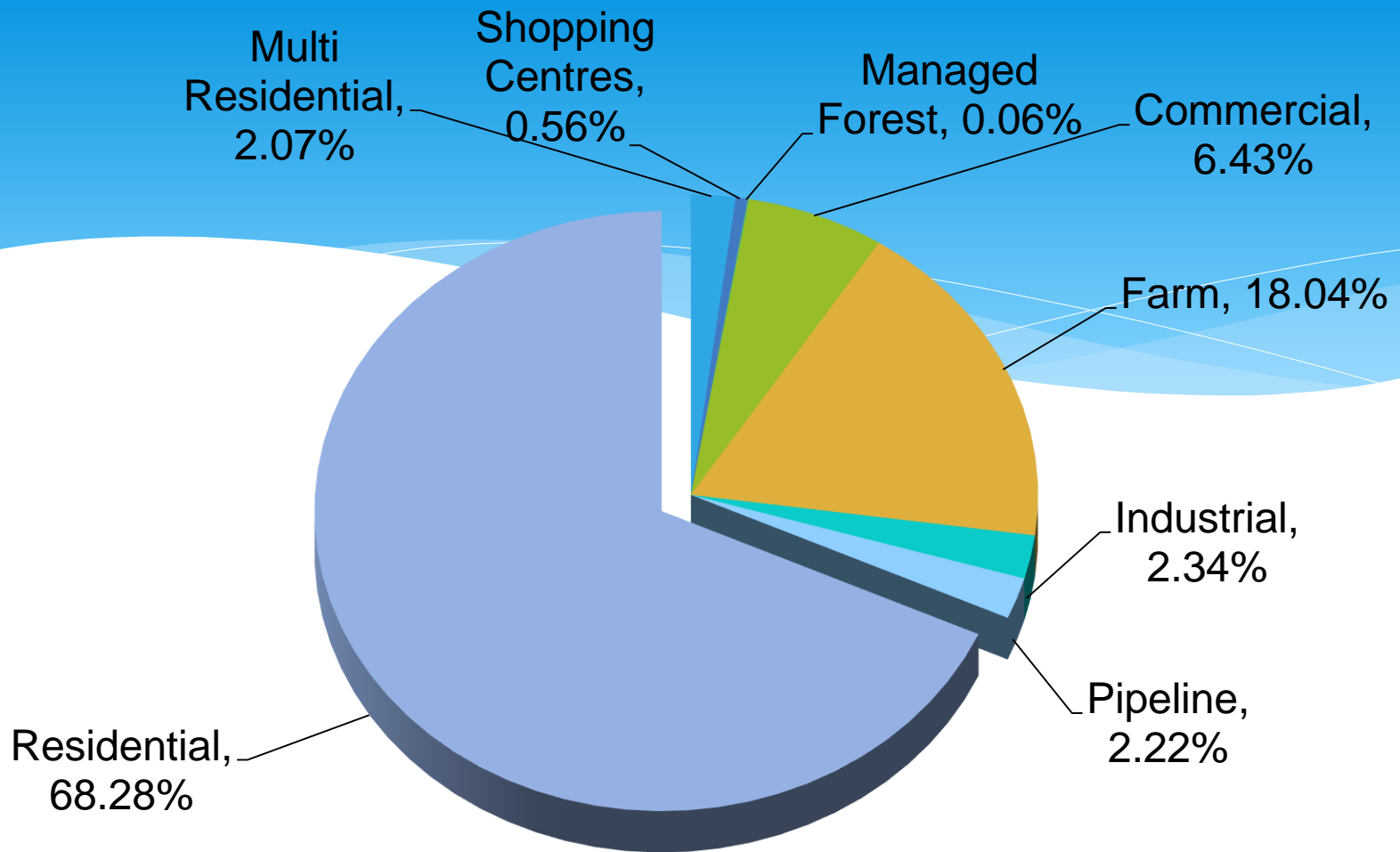
Capital Income - \$9,782,403



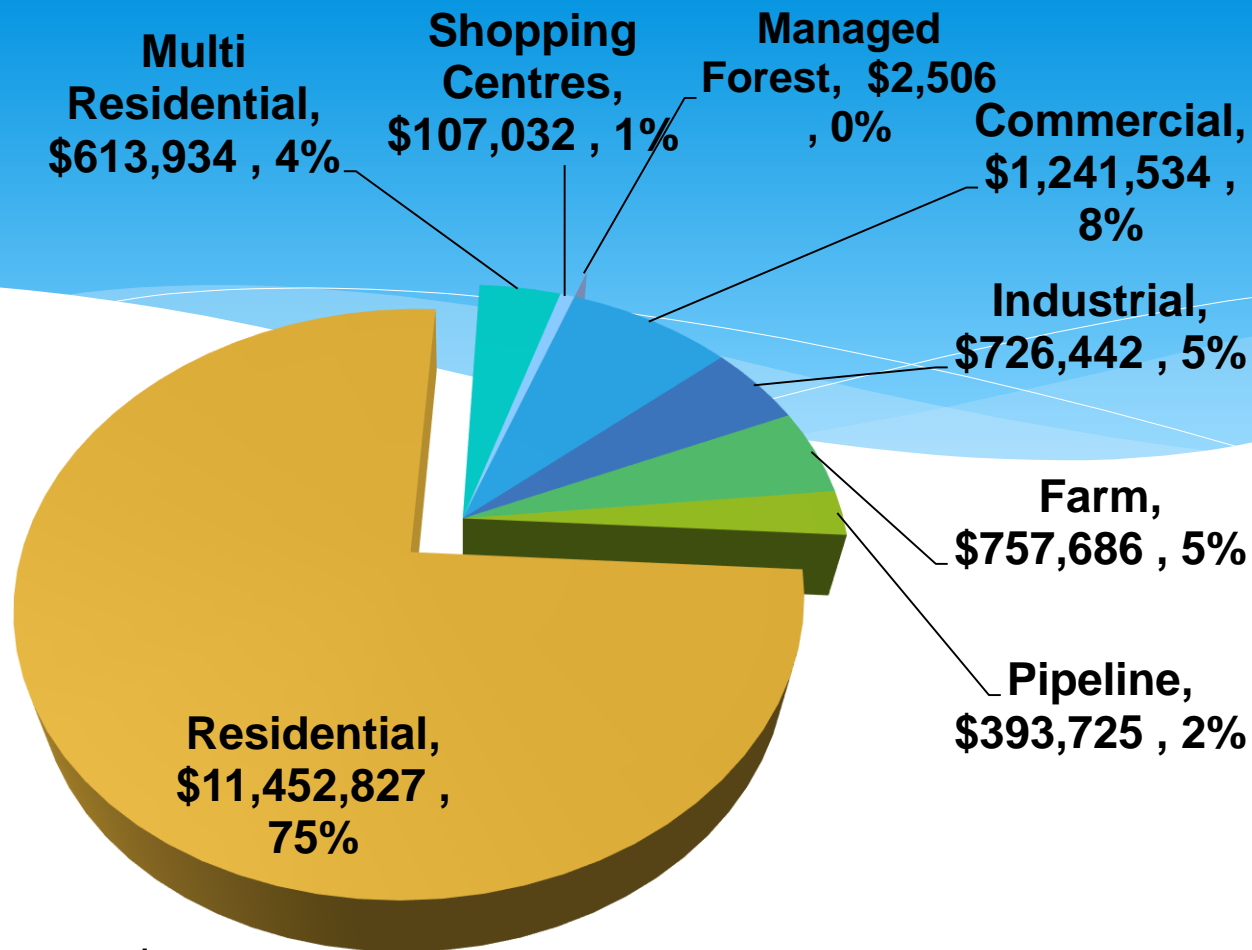
In the 2017 Capital Budget thirty-four (34) Capital projects will be completed and the municipality will leverage almost 7 additional dollars for every tax dollar spent.



Capital Expenses - \$9,782,403



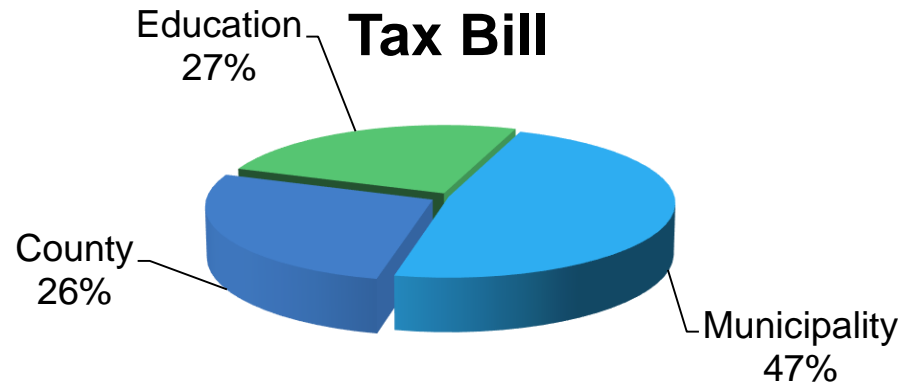
Assessment Class as a % of Total Assessment



**Where Does the \$15,295,686
In Taxation Come from?**

Assessment

In 2016, 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.



Homeowner Impact

* What is my Municipal Tax increase?

\$1,504.72



2016

\$35.21 or 2.34%



\$1,539.93



2017

*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*

Comparators

2016		Strathroy-Caradoc		Total Survey Average	Southwest Average
Net Municipal Levy per Capita	\$	1,052	\$	1,499	\$ 1,499
Net Municipal Levy per \$100,000 Unweighted CVA	\$	1,021	\$	1,140	\$ 1,086

	Strathroy-Caradoc	Total Survey Average
Multi-Residential	1.7697	1.9424
Commercial (Residual)	1.1449	1.6743
Industrial (Residual)	1.7451	2.1413

2016 Property Taxes	Strathroy-Caradoc	Total Survey Average	Southwest Average
Detached Bungalow	\$ 2,738	\$ 3,213	\$ 2,918
2 Storey Home	\$ 3,521	\$ 4,395	\$ 4,184
Walk Up Apartment (per Unit)	\$ 993	\$ 1,445	\$ 1,401
Neigh. Shopping (per sq. ft.)	\$ 2.39	\$ 3.31	\$ 2.90
Industrial Standard (per sq. ft.)	\$ 1.32	\$ 1.68	\$ 1.42
Industrial Large (per sq. ft)	\$ 0.96	\$ 1.20	\$ 0.96
Industrial Vacant Land (per Acre)	\$ 631	\$ 3,325	\$ 1,766

Source 2016 BMA Study



Questions?



URBAN OPPORTUNITY – RURAL HOSPITALITY