



THE CITY OF **WINDSOR**

# BUDGET 2015

City Treasurer's Presentation to City Council – January 19, 2015



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## 2015 Operating Budget Process

	Date
2015 Proposed Budget Process & Timeline (City Council Meeting) <b>Public Input Opportunity</b>	July 7, 2014
2015 Recommended Budget Development by Administration	July 8, 2014 – December 31, 2014
2015 Recommended Budget Made Public (Available on the Internet and all Windsor Public Libraries)	January 5, 2015
2015 Final Budget Deliberations (Beginning at 3:00 pm) <b>Public Input Opportunity</b>	January 19, 2015

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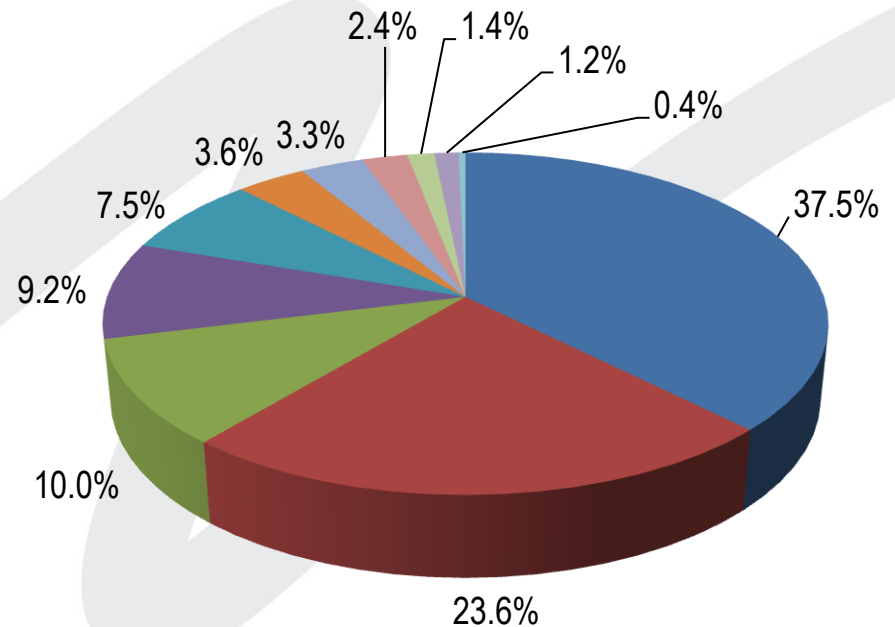


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## 2015 Gross Operating Budget by Major Types of Expenditures

Total Gross Expenditures: \$746 Million

- [37.5%] Salaries & Benefits
- [23.6%] Transfers for Social Services
- [10.0%] Transfers to Reserves & Capital Funds
- [9.2%] Transfers to Education Entities \*
- [7.5%] Purchased Services
- [3.6%] Utilities, Insurance & Taxes
- [3.3%] Transfers to External Agencies
- [2.4%] Operating & Maintenance Supplies
- [1.4%] Financial Expenses
- [1.2%] Minor Capital
- [0.4%] Other Miscellaneous Expenditures



\* Reflects the 2014 Education Levy as the 2015 Education Levy has not yet been announced by the Province.

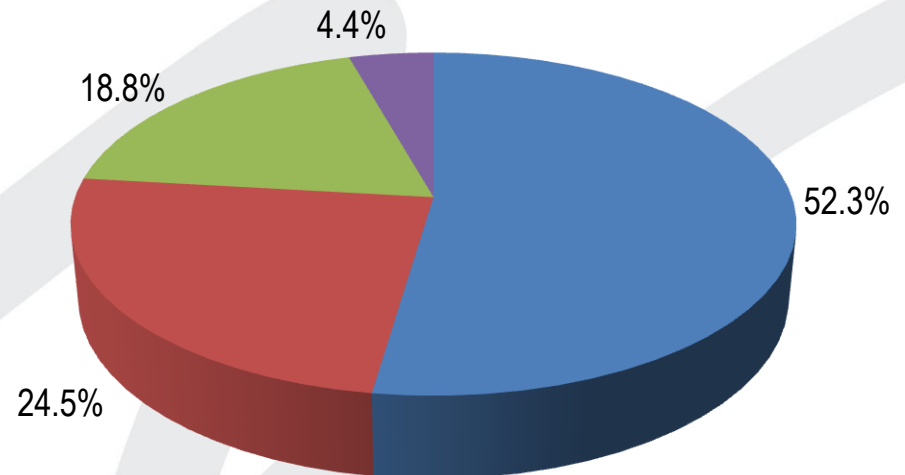


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## How Will We Fund the Total Expenditures

Total Gross Revenue: \$746 Million

- [52.3%] Property Taxes
- [24.5%] Grants & Subsidies
- [18.8%] User Fees & Recovery of Expenditures
- [4.4%] Other



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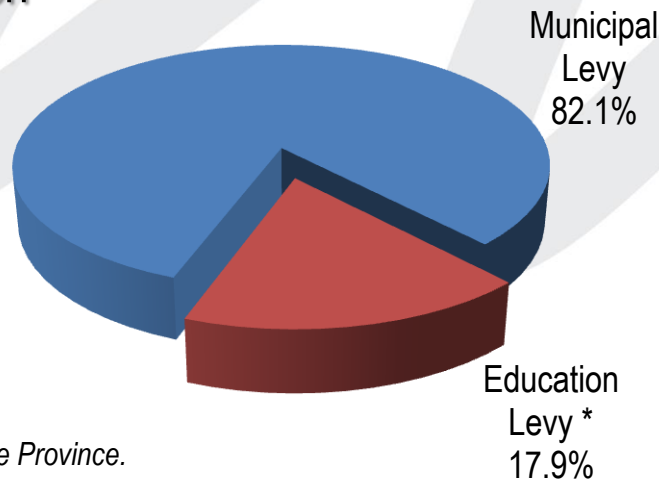
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## Total Property Tax Levy

2015 Total Property Tax Levy	
2014 Total Levy	\$387.3 M
2015 Total Levy	\$387.0 M
2015 Levy <u>Decrease</u> Over 2014	<b>-\$0.3 M</b>

Property Tax Levy Decrease Over the Last 9 Years	
2006 Total Levy	\$393.8 M
2015 Total Levy	\$387.0 M
2015 Levy <u>Decrease</u> Over 2006	<b>-\$6.8 M</b>

### 2015 Municipal / Education Property Tax Levy Split



\* Education Levy reflects the 2014 level as the 2015 amount has not yet been announced by the Province.

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## Summary of 2015 Major Tax Levy Changes

Factors Driving the Tax Levy Higher	How We Were Able to Keep the Tax Levy at the Same Amount as Last Year
Salary, Wages & Fringe Benefit Increases	Line by Line Cost Reductions
Insurance Premiums & Utility Costs	Avoidance / Mitigation of Cost Increases
County of Essex Land Ambulance Charges	Projected Caseload Decreases in Ontario Works
Various Contractual Obligations	OW Financial Assistance Upload by the Province
Various Other Inflationary Increases	Increase in OMPF Funding
Various Other Revenue Decreases	Windsor Airport Dividend



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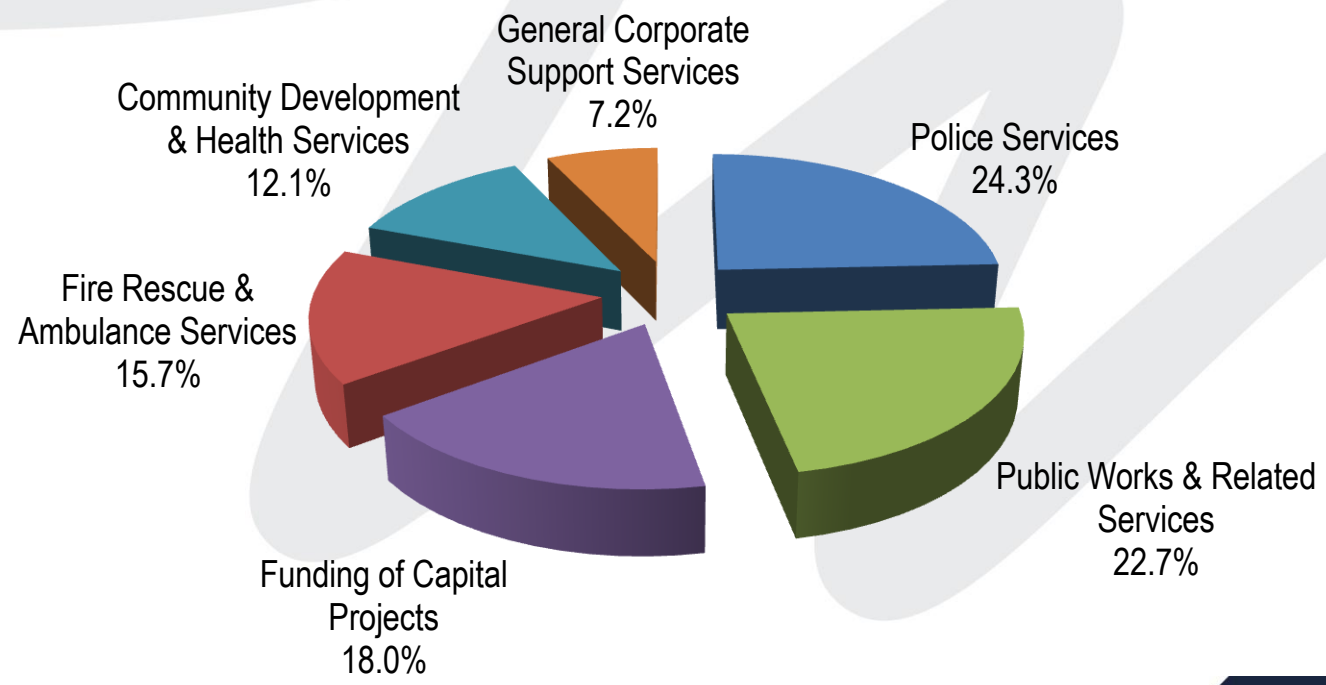




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# What is the 2015 Municipal Tax Levy Being Spent On?

2015 Total Net Municipal Levy: \$318,743,094



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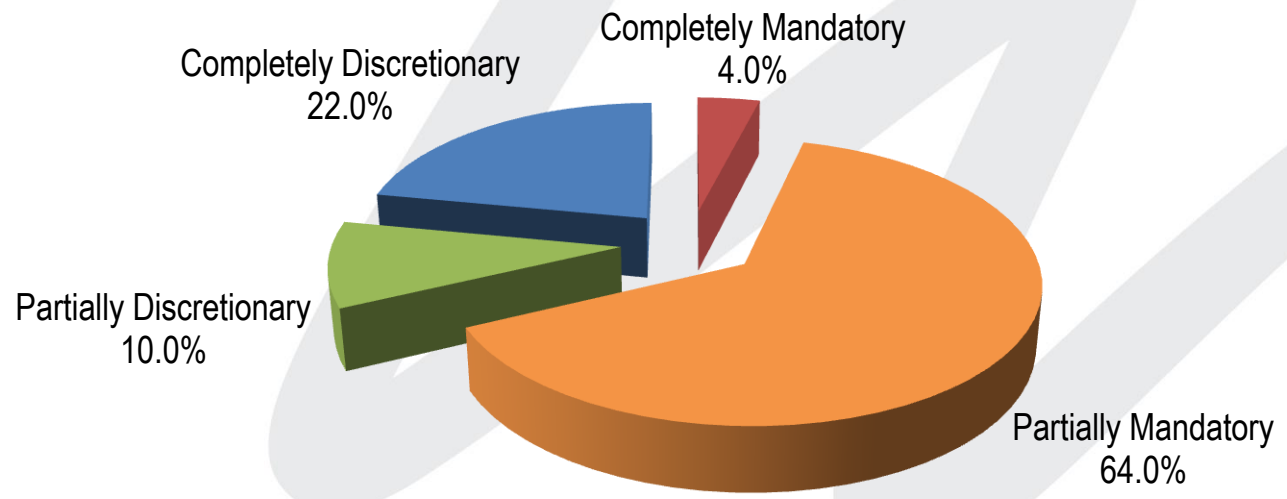




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# Levels of Council Discretion

## Overall Municipal Budget



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## How Will Tax Payers Be Impacted by the 2015 Budget?

- The City will be collecting slightly less in total property taxes than in 2014.
- However, the impact on individual tax payers will depend on their MPAC assessment revaluation results compared to the average MPAC revaluation results, as well as the tax ratios that will be approved by Council in the spring of 2015.
- As part of the tax policies report, administration will provide City Council with a number of tax ratio modeling options for their consideration.



## THE CITY OF WINDSOR BUDGET 2015

### Sewer Surcharge

- No increase to rates
- Users that use the same amount of water will pay the same amount in 2015 as they did in 2014
- 5<sup>th</sup> time in the last 7 years there has been no increase
- Total revenues \$59.5 M
- \$26.3 going to fund sewer capital projects and equipment replacement

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## Overall Comparison of Residential Charges

(Typical Residence and Consumption Patterns)

Source: Independent BMA Study

	Windsor	Provincial Average	Windsor Over / (Under) Average
Water	\$417	\$360	\$57
Sewer	\$660	\$373	\$287
Taxes	\$3,033	\$3,530	-\$497
<b>Total</b>	<b>\$4,110</b>	<b>\$4,263</b>	<b>-\$153</b>

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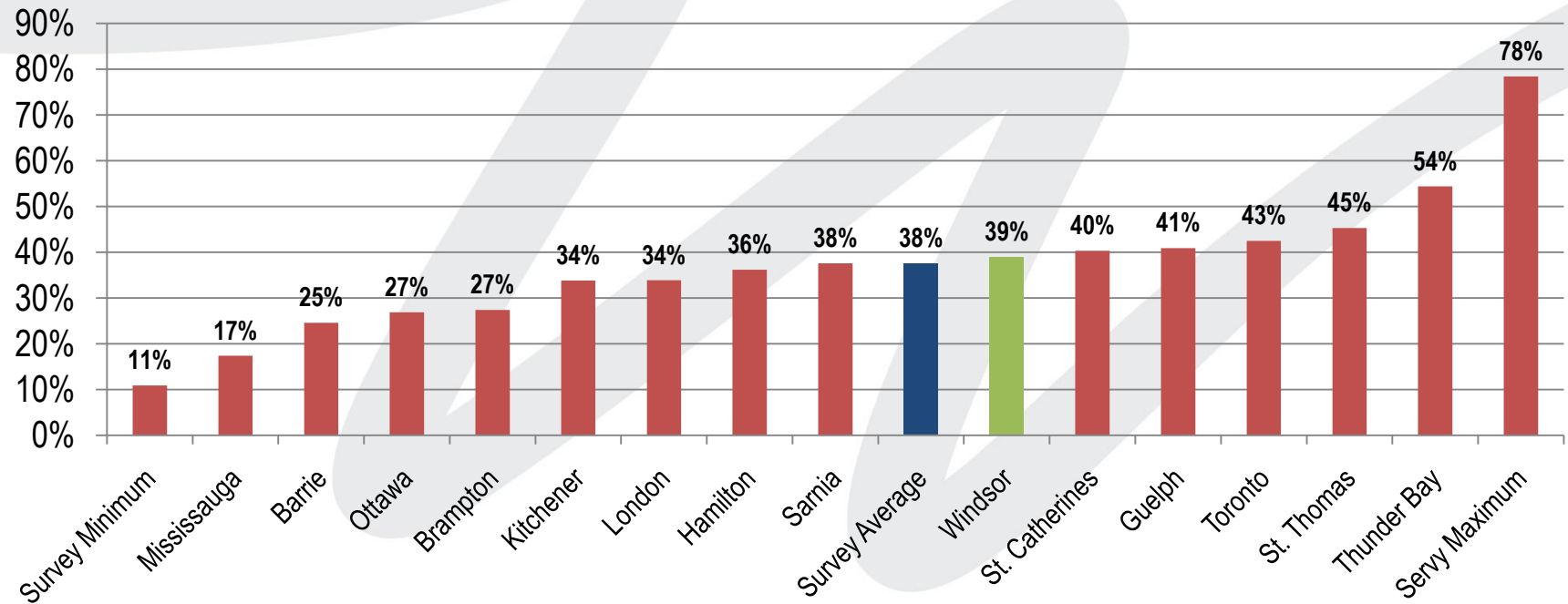




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How Does Our Infrastructure Deficit Compare to Peer Municipalities?

Total Asset Consumption Ratio per Independent BMA Study



The percentages in the graph reflect the written down value of the tangible capital assets relative to their historical costs. A higher ratio may indicate significant replacement needs. It is a high level estimate of the municipalities overall infrastructure condition and replacement needs.

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## Capital Budget

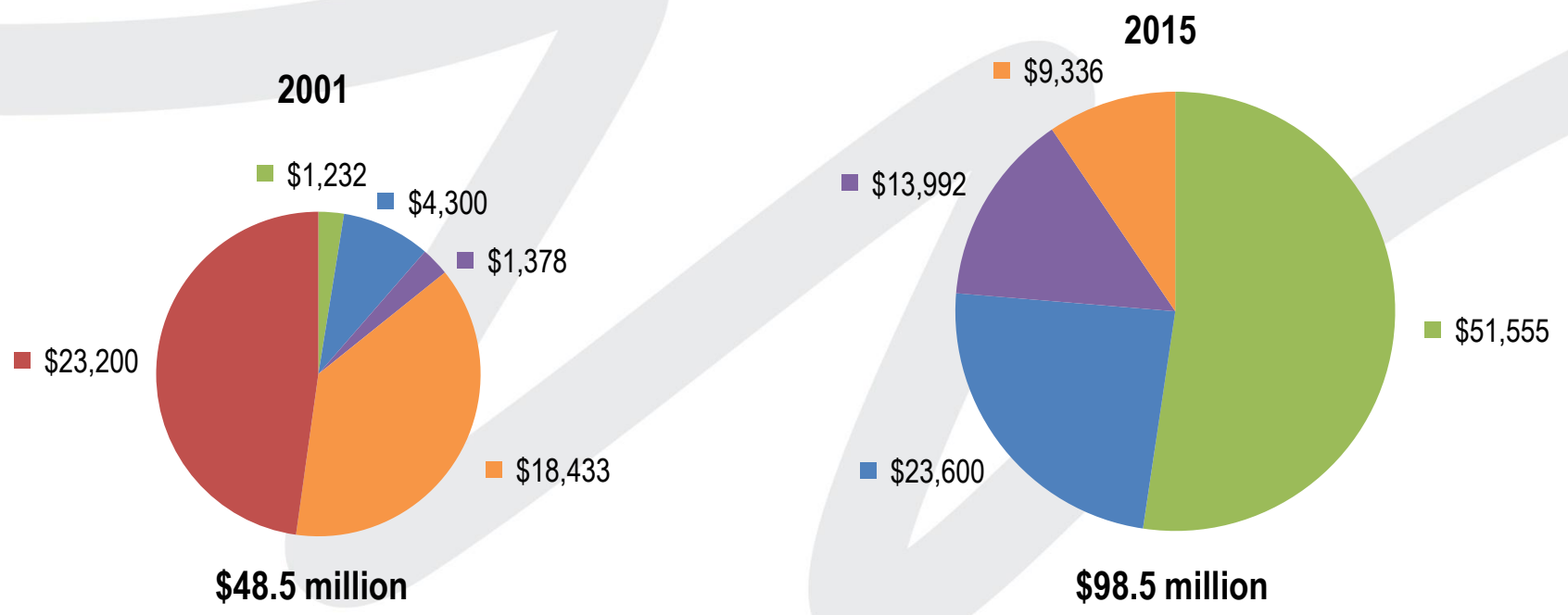
- Total funding for the Capital Budget 5-Year Plan is \$496 million
- Capital funding for 2015 is \$98 million
- Total funding for roads and sewers in the 5-Year Plan is \$268 million or more than half of the total capital budget



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# Capital Expenditures

Total Funding Sources (2001 vs. 2015)



- Pay As You Go
- Sewer Surcharge
- External Grants & Recoveries
- Reserves
- Long-Term Debt

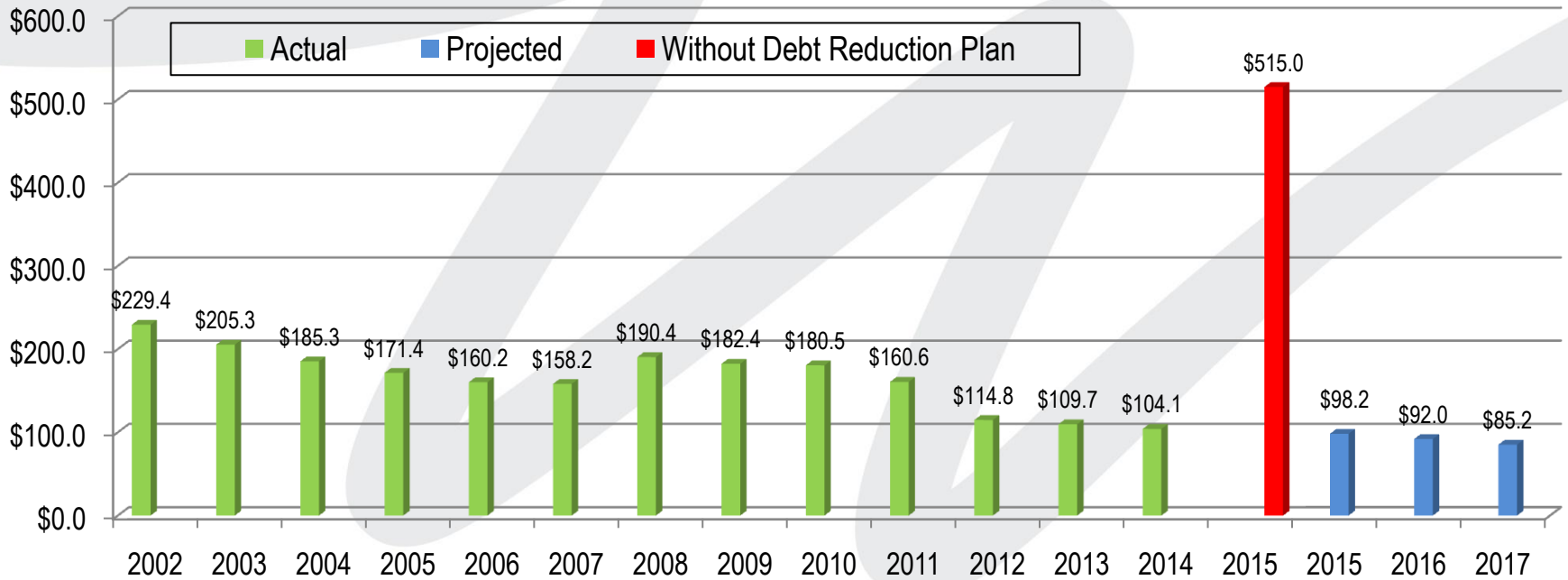


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## Long Term Debt Summary (in \$ Millions)

(Reflects the Savings of the Pay-As-You-Go / Debt Reduction Policies.)

Prior to these policies, the Long Term Debt was projected to have grown to over \$370 million)



Source: City of Windsor Data

Debt Avoided = \$417 Million (\$515 M - \$98 M)  
Debt Avoided Per Capita = \$1,986 (\$417 M / 210,000)

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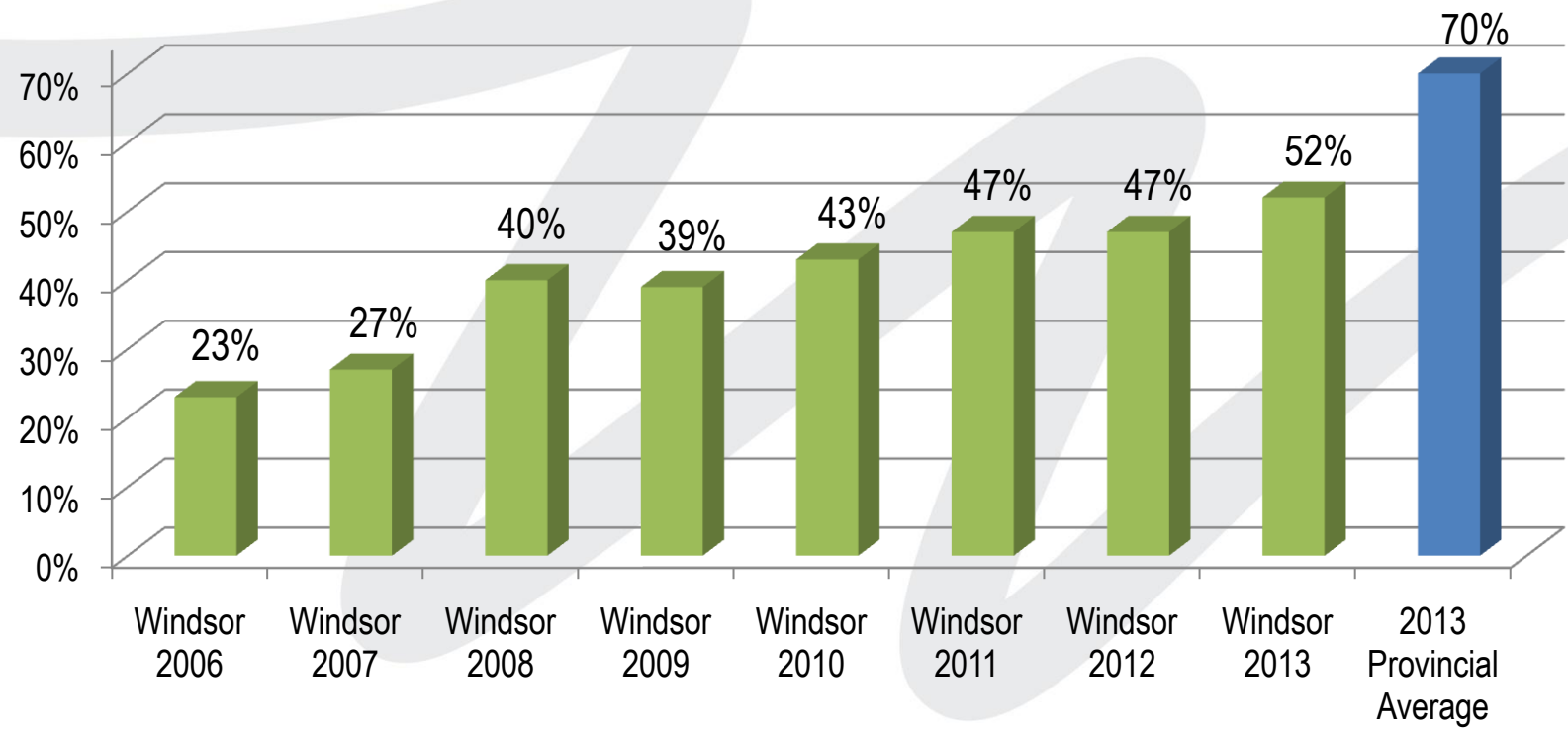




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# Ontario Municipalities, Reserves as a % of Tax Revenues

Source: BMA 2014 Municipal Study



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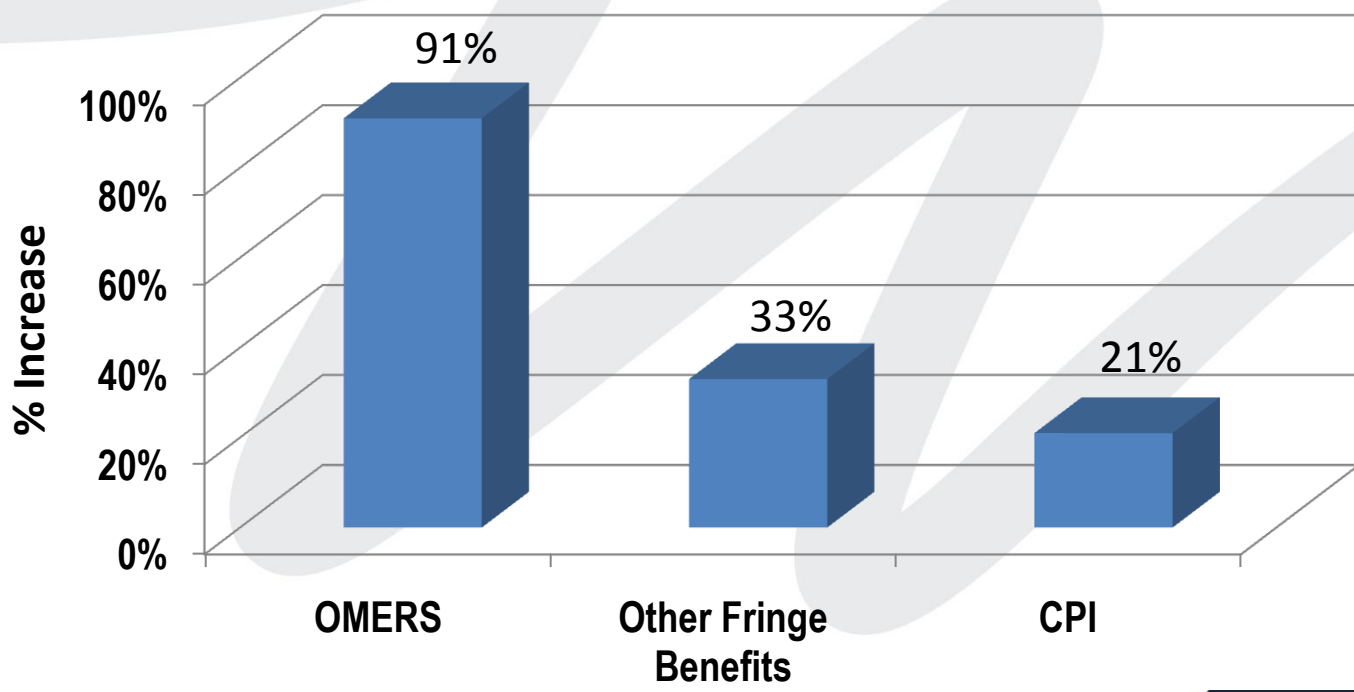






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## Major Cost Increases Over the Last 10 Years



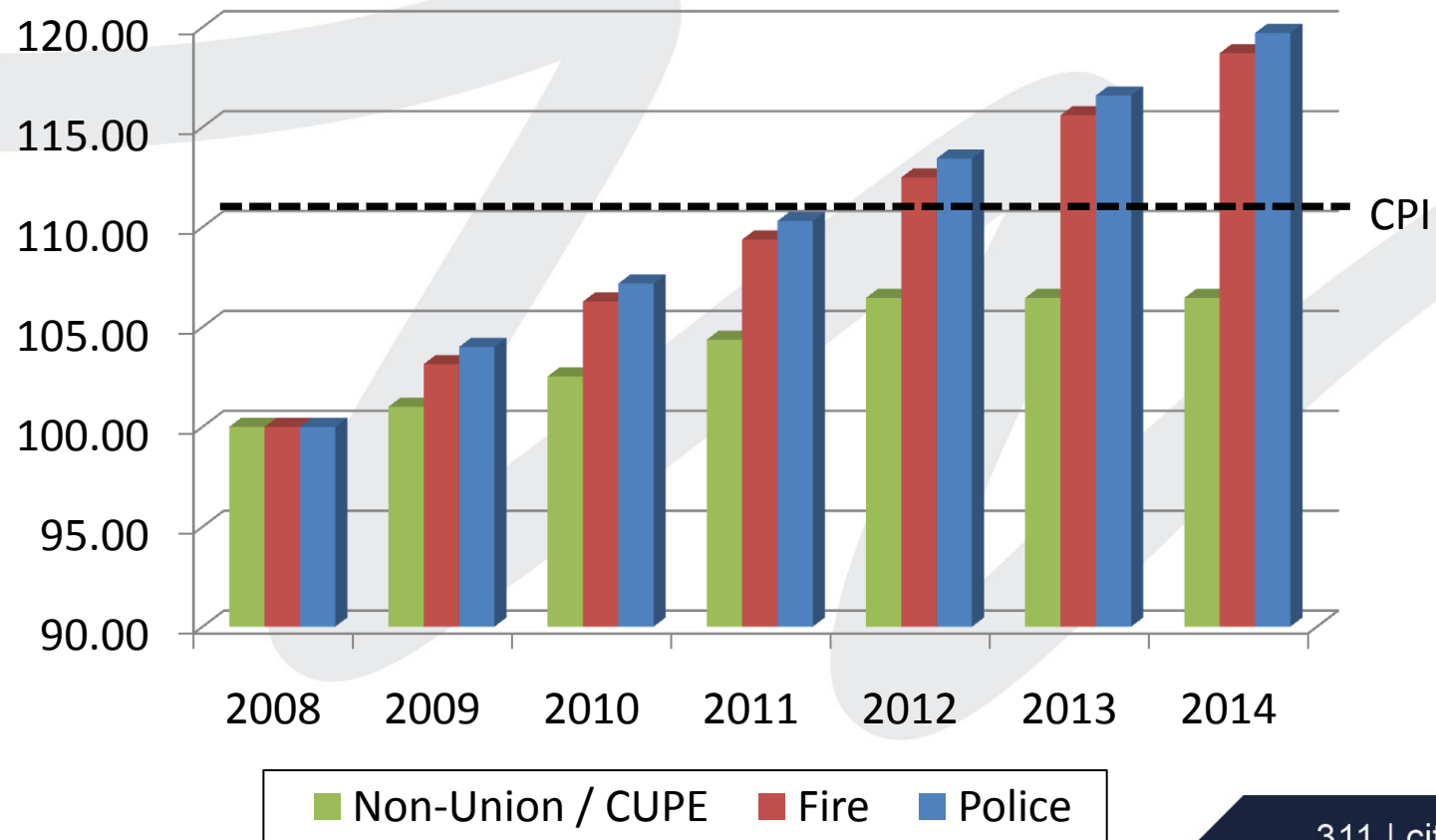
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## Negotiated Salary Increases (2008-2014)



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*Thank you.*

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