

Municipal Study 2009

Municipality of Chatham-Kent



Chatham-Kent
ONTARIO, CANADA

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2009 Municipal Study

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Presentation

- ❑ Provide an update to Council on the 2008 Municipal Study
- ❑ 81 municipalities in the study
 - Presentation focuses on 11 municipalities
- ❑ Municipal Profile
- ❑ Municipal Financial Indicators
- ❑ Net Expenditures and MPMPs
- ❑ User Fees & Revenue Information
- ❑ Tax Policies
- ❑ Comparison of Relative Taxes
- ❑ Water/Sewer Comparisons
- ❑ Taxes as a % of Income





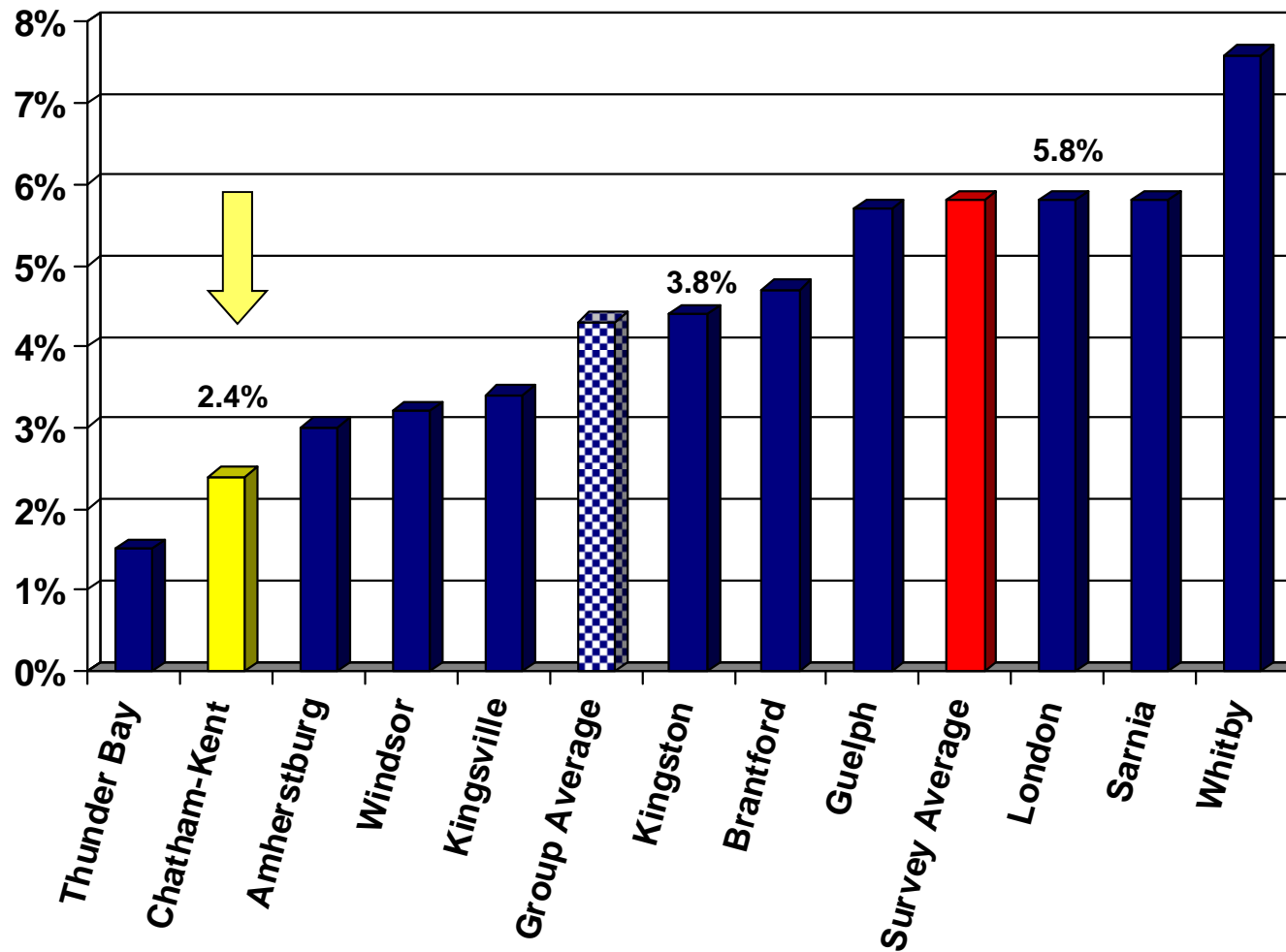
Municipal Profile

2009 Municipal Study

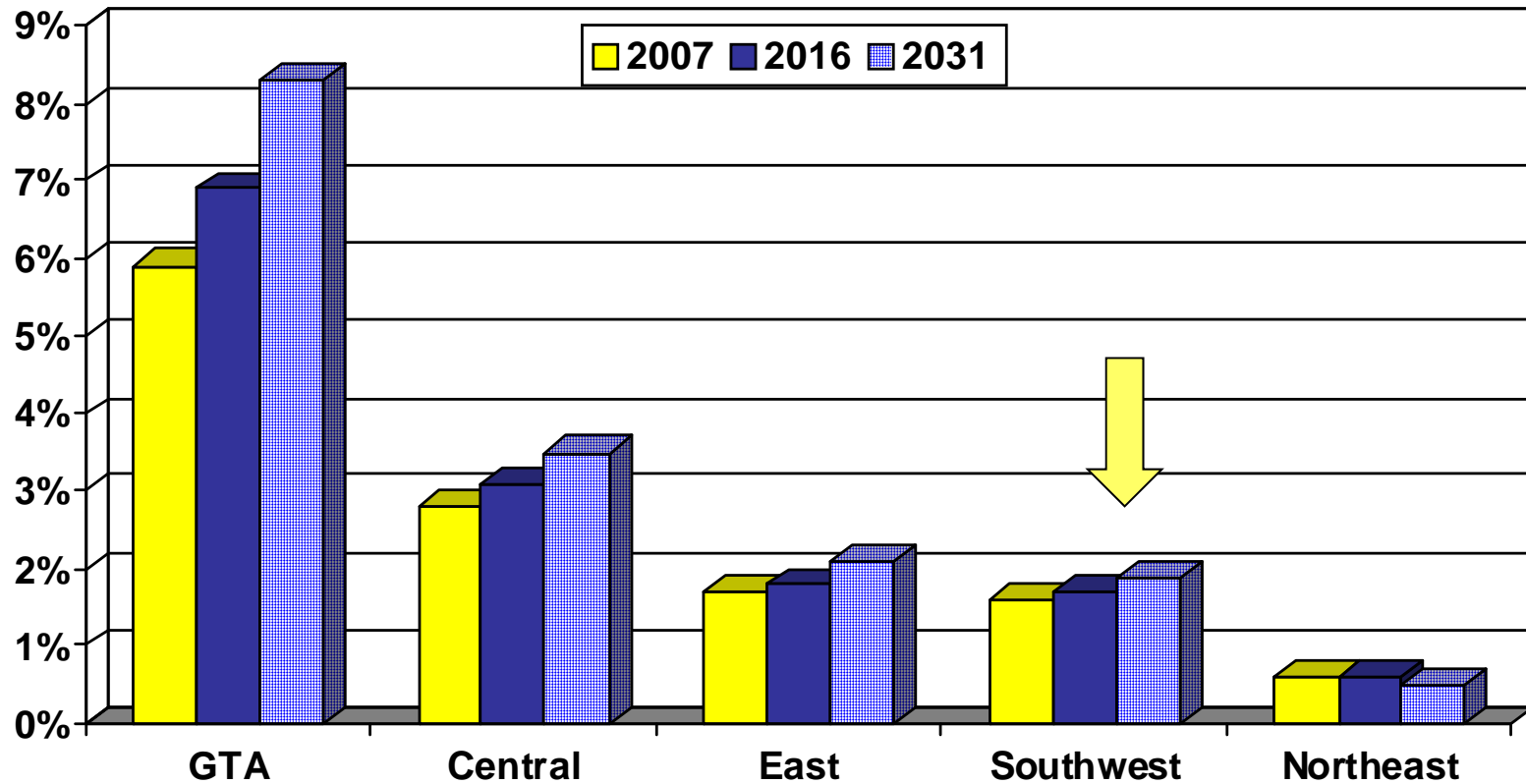
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Population Statistics

2006 – 2008 Increase (Stats Canada)



Ontario Population Projections 2007 - 2031



Land Area and Density

Municipality	Land Area (Sq. Km.)	Population Density per Sq. Km.
Chatham-Kent	2,458	45
Kingsville	247	90
Amherstburg	186	120
Kingston	450	272
Thunder Bay	328	338
Sarnia	165	448
Whitby	147	816
London	421	886
Brantford	72	1,320
Guelph	87	1,403
Windsor	147	1,474
Group Average	428	656
Survey Average	424	603

Affects cost of service

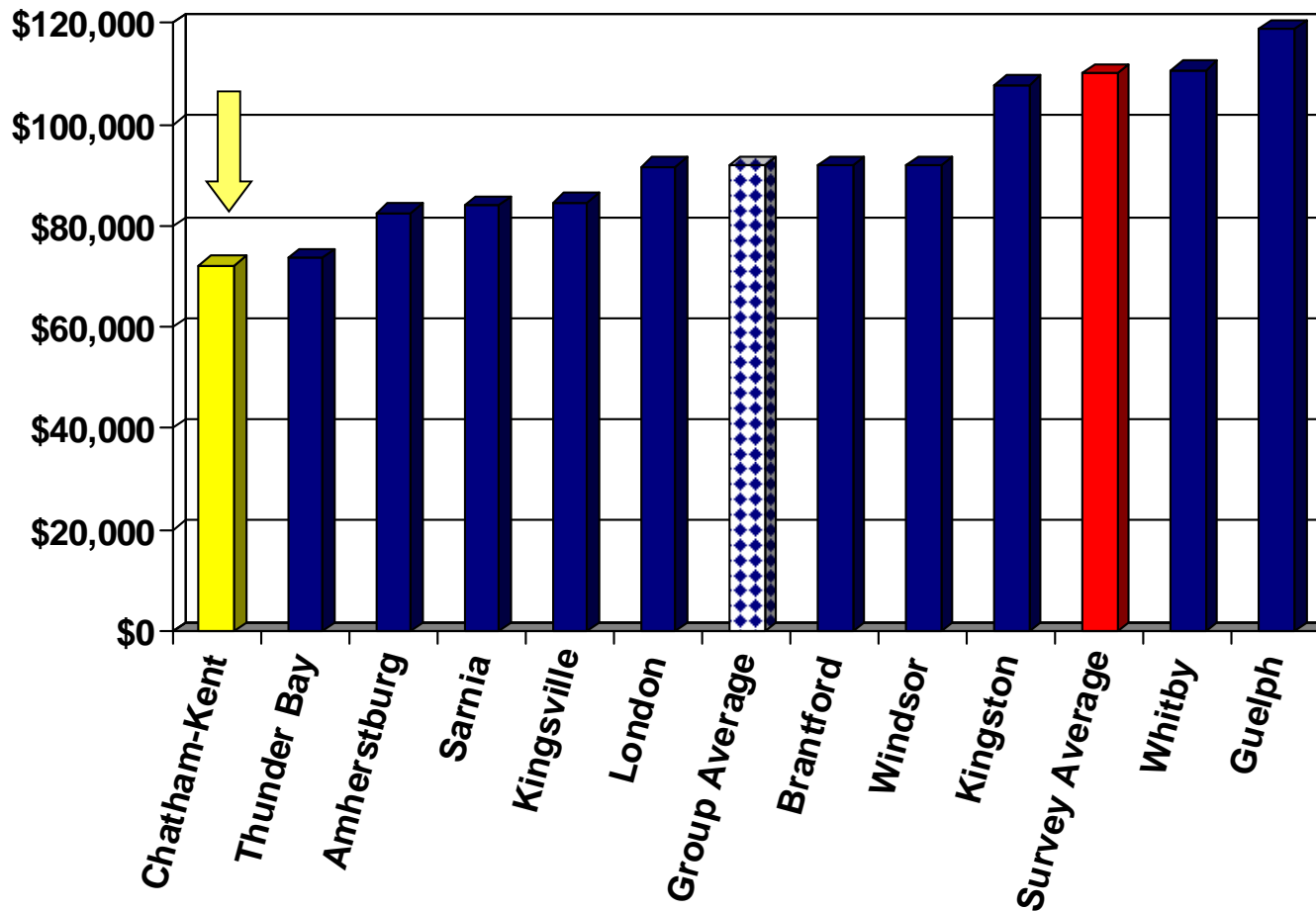
Chatham-Kent has very large land area and low population density

Assessment Composition

Municipality	Residential	Multi-Residential	Commercial	Industrial	Pipelines	Farmlands	Forests
Amherstburg	84.2%	1.1%	5.7%	2.1%	0.5%	6.4%	0.0%
Whitby	84.0%	2.0%	10.7%	2.6%	0.2%	0.5%	0.0%
London	79.2%	5.7%	12.6%	1.6%	0.3%	0.6%	0.0%
Guelph	78.2%	4.8%	11.7%	5.1%	0.2%	0.0%	0.0%
Sarnia	77.5%	4.1%	12.6%	3.9%	0.6%	1.3%	0.0%
Brantford	76.5%	4.3%	13.5%	5.3%	0.3%	0.1%	0.0%
Kingston	76.5%	6.2%	15.4%	1.2%	0.3%	0.4%	0.0%
Thunder Bay	76.5%	3.7%	15.8%	3.6%	0.4%	0.0%	0.0%
Kingsville	72.6%	0.8%	6.6%	2.0%	0.5%	17.5%	0.0%
Windsor	72.0%	4.8%	18.2%	4.6%	0.3%	0.1%	0.0%
Group Average	77.7%	3.8%	12.3%	3.2%	0.4%	2.7%	0.0%
Survey Average	79.6%	2.6%	10.7%	2.8%	0.5%	3.8%	0.0%
Chatham-Kent	59.6%	2.1%	9.7%	2.2%	0.9%	25.4%	0.0%

2nd highest % of farmland in total survey

Weighted Assessment per Capita



Assessment per capita provides a broad indication of a municipality's residents wealth and ability to fund municipal services. Larger proportion of farmlands

Unweighted Assessment Growth

Municipality	% Change in CVA 2006-2007	% Change in CVA 2007-2008	% Change in CVA 2008-2009
Windsor	1.0%	0.7%	-6.1%
Amherstburg	1.0%	1.9%	0.5%
Thunder Bay	0.8%	0.2%	1.1%
Whitby	3.8%	2.1%	5.9%
London	2.0%	2.0%	7.0%
Sarnia	0.7%	1.3%	7.4%
Brantford	3.0%	3.0%	8.0%
Guelph	2.1%	3.6%	8.6%
Kingston	1.9%	1.4%	9.7%
Group Average	1.8%	1.8%	4.7%
Survey Average	2.3%	2.1%	7.3%
Chatham-Kent	0.6%	0.8%	4.8%

C-K has lower than average change in assessment

2009 was a reassessment year

This poses challenges in funding municipal services

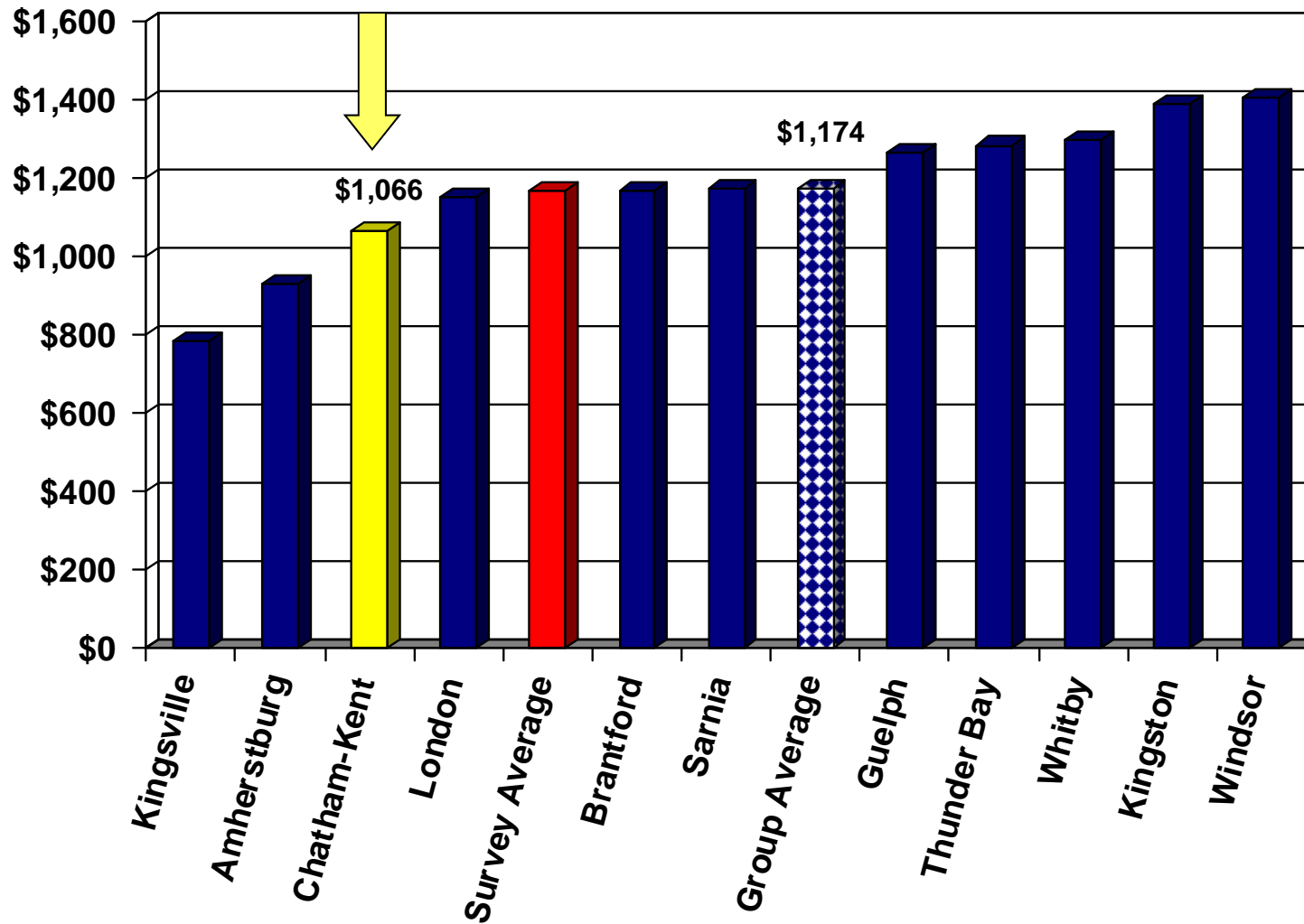


Municipal Financial Information

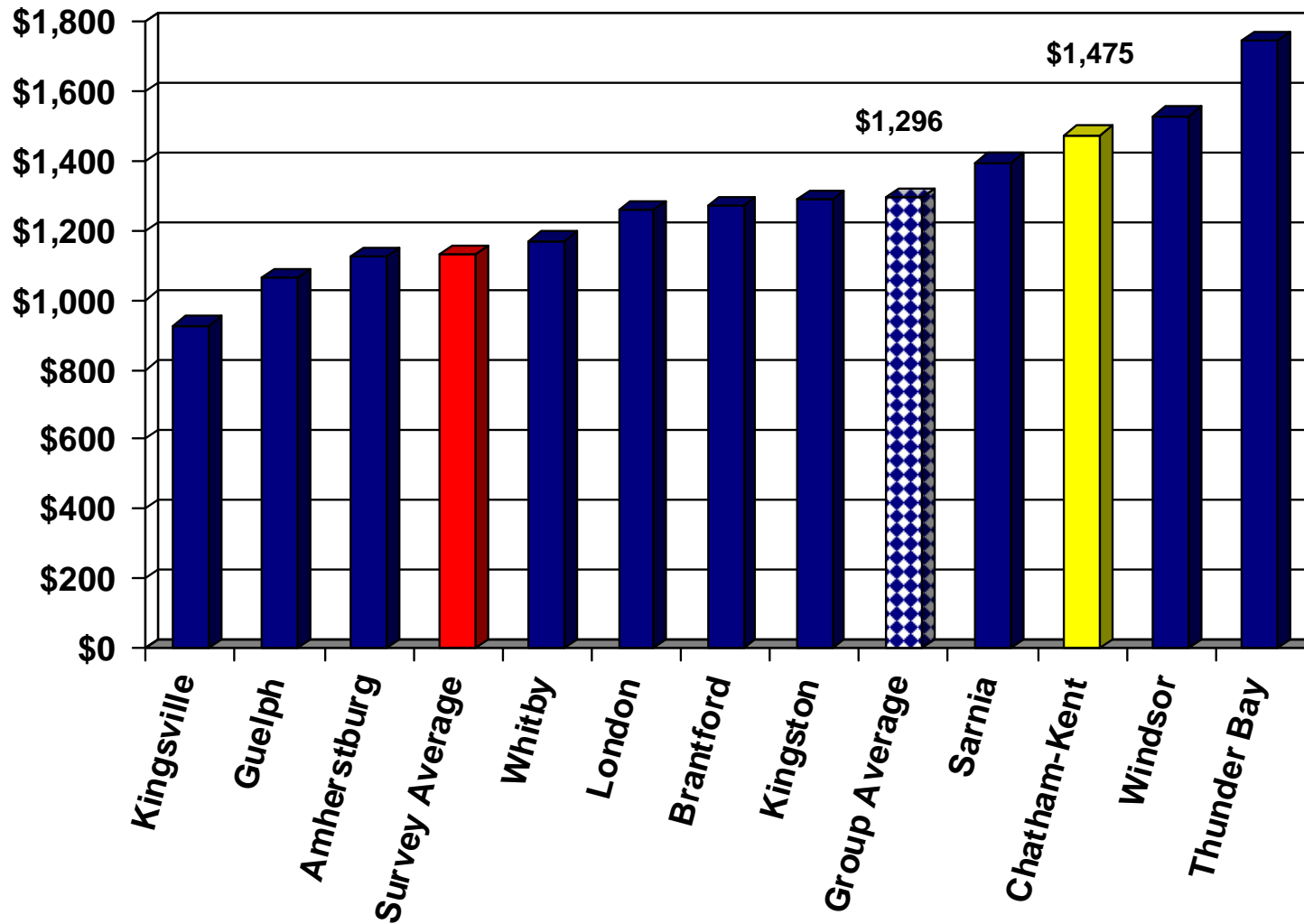
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Net Municipal Levy per Capita



Net Municipal Levy per \$100,000 CVA (wgt.)



Assessment and Affordability

Municipality	2009 Levy per Capita	Levy per \$100,000 of Weighted Assessment	2009 Unweighted Assessment per Capita	2009 Residential Tax Rate	2009 Average household Income	2009 Property Taxes as a % of Household Income
Oakville	\$ 1,382	\$ 773	\$ 162,263	1.0226%	\$ 147,500	3.3%
Chatham-Kent	\$ 1,066	\$ 1,475	\$ 75,091	1.9210%	\$ 67,500	4.5%

2008 Expenditures Per Capita

Source 2008 FIR

Service	Chatham-Kent	Survey Average
Fire	\$ 112	\$ 116
Police (MPMP)	\$ 231	\$ 234
Waste Disposal	\$ 15	\$ 16
Recycling	\$ 12	\$ 18
Social Housing	\$ 62	\$ 83
Public Health	\$ 17	\$ 19
Child Care	\$ 12	\$ 16
Parks	\$ 24	\$ 42
Library	\$ 31	\$ 37
Recreation Facilities - Other	\$ 28	\$ 54
Transit	\$ 10	\$ 56
Planning	\$ 10	\$ 21
Parking	\$ 2	\$ 6
Ambulance		
Ambulance	\$ 42	\$ 34
Assistance to Aged	\$ 60	\$ 22
General Assistance	\$ 201	\$ 134
Waste Collection	\$ 18	\$ 15
Cemeteries	\$ 6	\$ 4
Recreation Programming & Facilities (Combined)	\$ 16	\$ 15
Recreation Programming	\$ 16	\$ 15
Cultural Services	\$ 16	\$ 12
Winter Control	\$ 55	\$ 42
Roadways	\$ 238	\$ 127
Storm	\$ 17	\$ 12

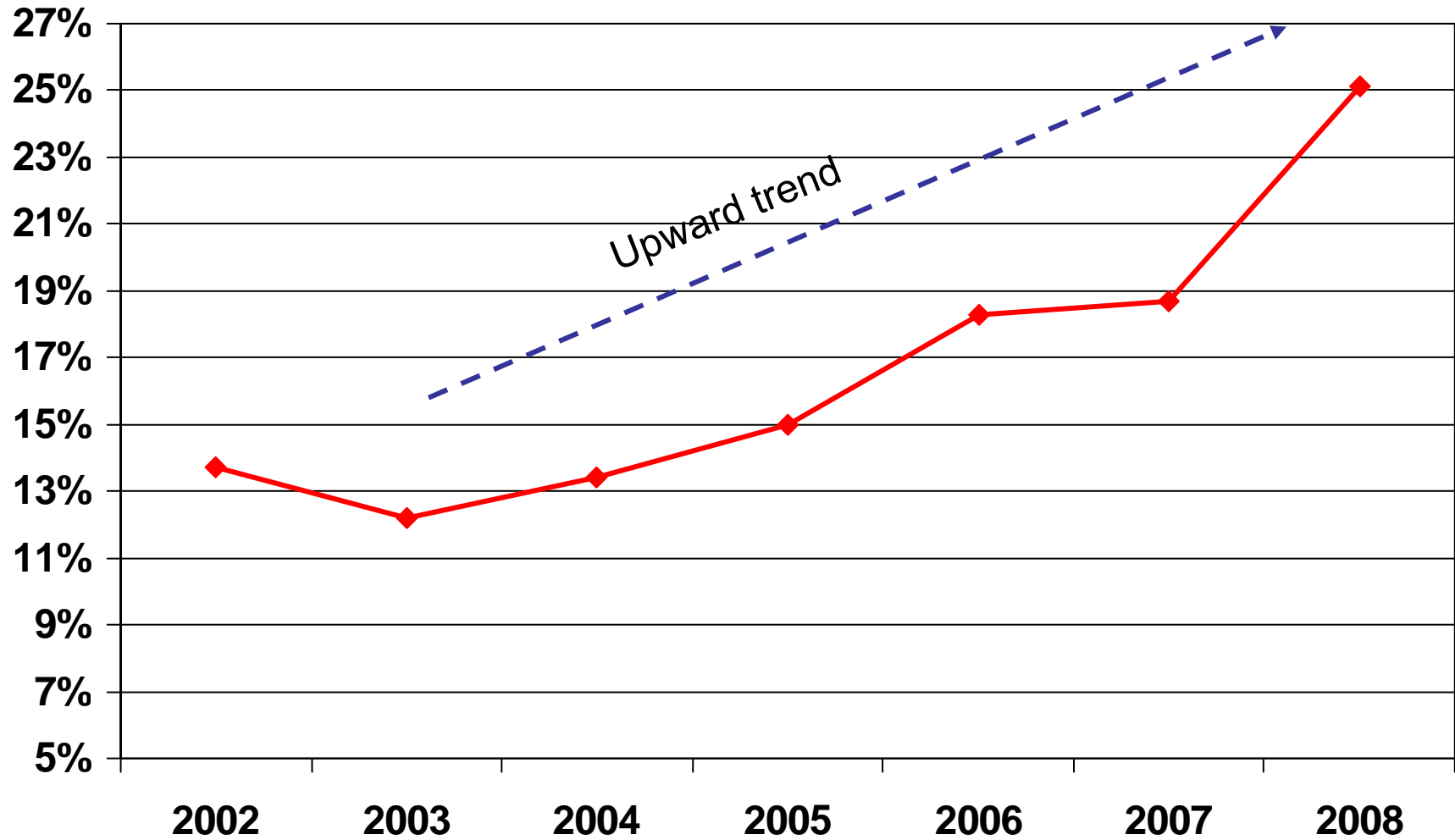
Service expenditures for Chatham-Kent at or below the survey average

C-K above the survey average

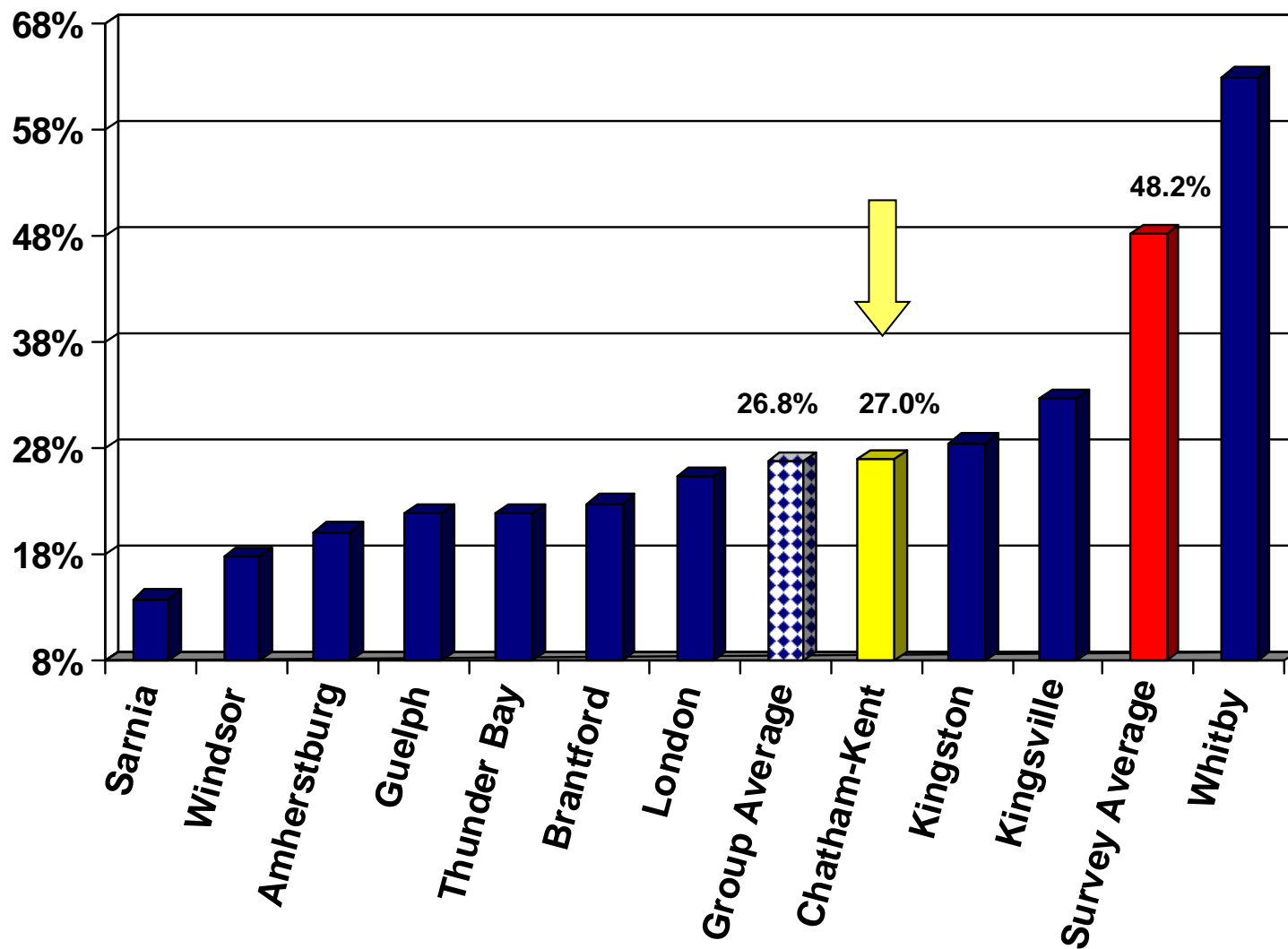
Select MPMP Comparisons

Service MPMP	Chatham-Kent	Total Survey Average
Roadways Operating Costs Per Lane Km	\$ 586	\$ 2,285
Winter Control Operating Costs Per Lane Km	\$ 898	\$ 2,508
Transit Cost per Regular Service Trip	\$ 4.42	\$ 6.30
Sanitary Sewer Treatment & Disposal per Megalitre	\$ 304	\$ 362
Waste Disposal Costs per Tonne	\$ 65	\$ 78
Waste Collection Costs per Tonne	\$ 36	\$ 87
Recycling Costs per Tonne	\$ 90	\$ 121

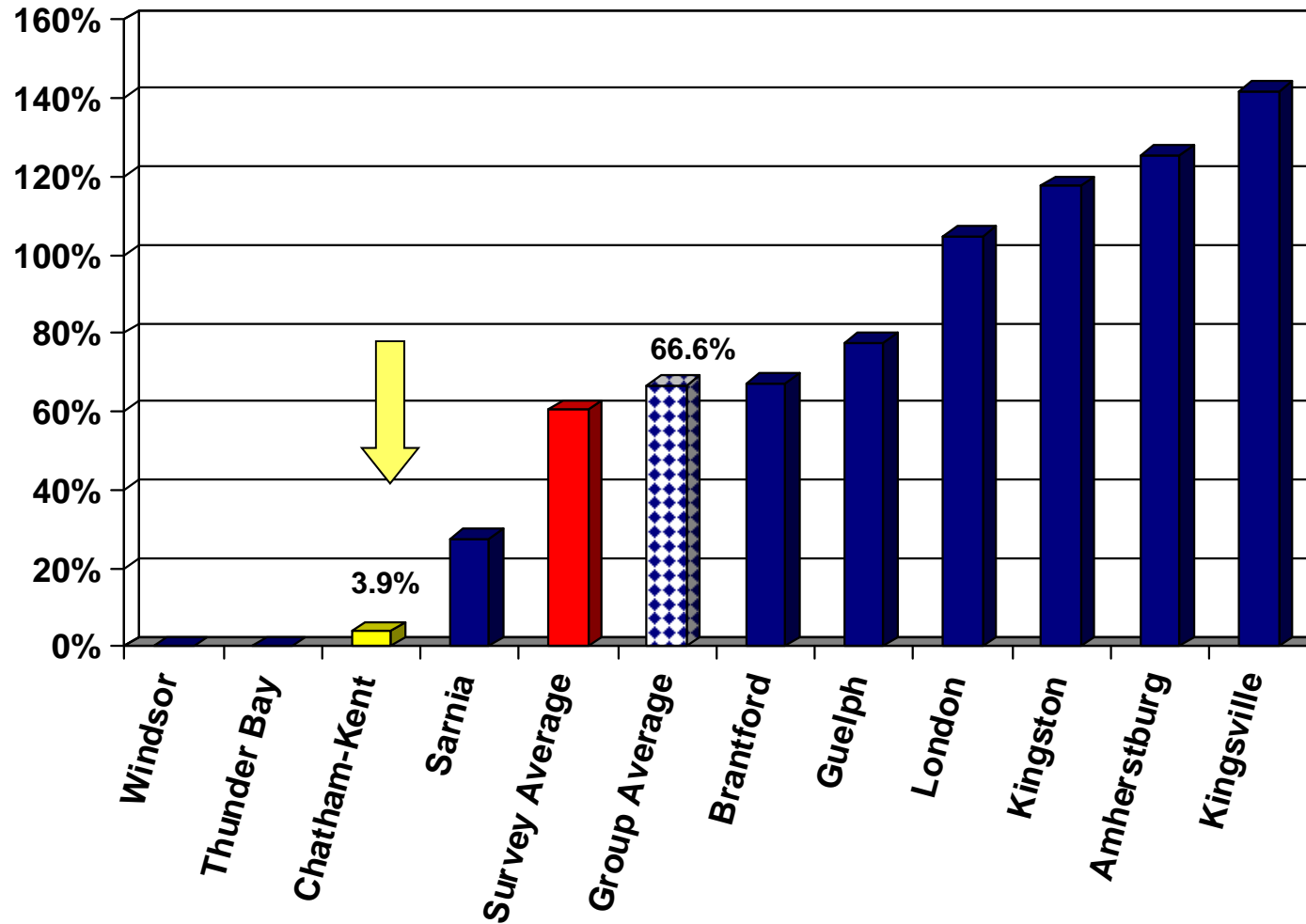
Reserves as a % of Total Expenditures



Reserves as a % of Total Expenditures (excluding water and sewer)



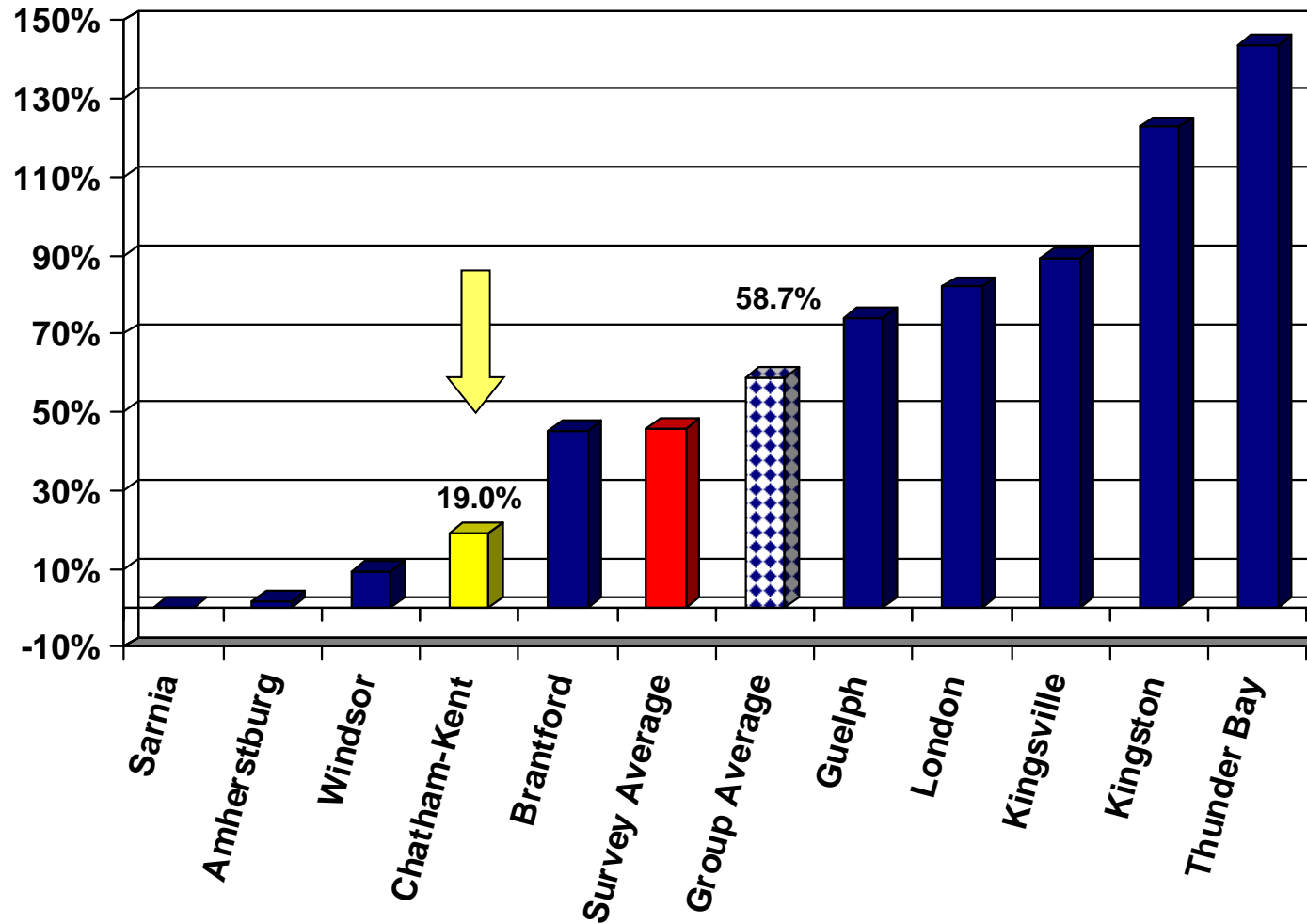
Water Reserves as % Water Expenditures



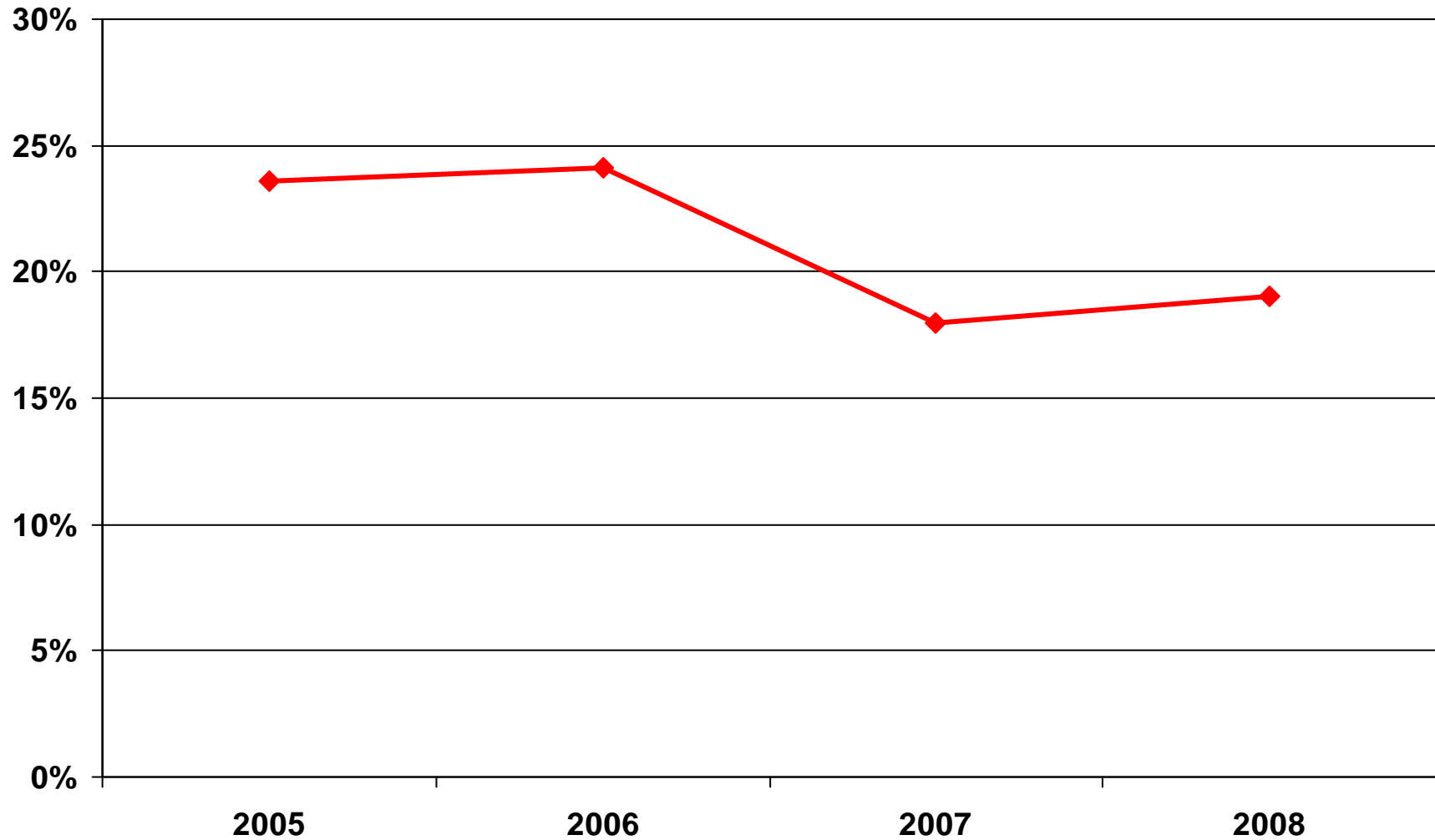
Water Reserves as a % of Water Expenditures



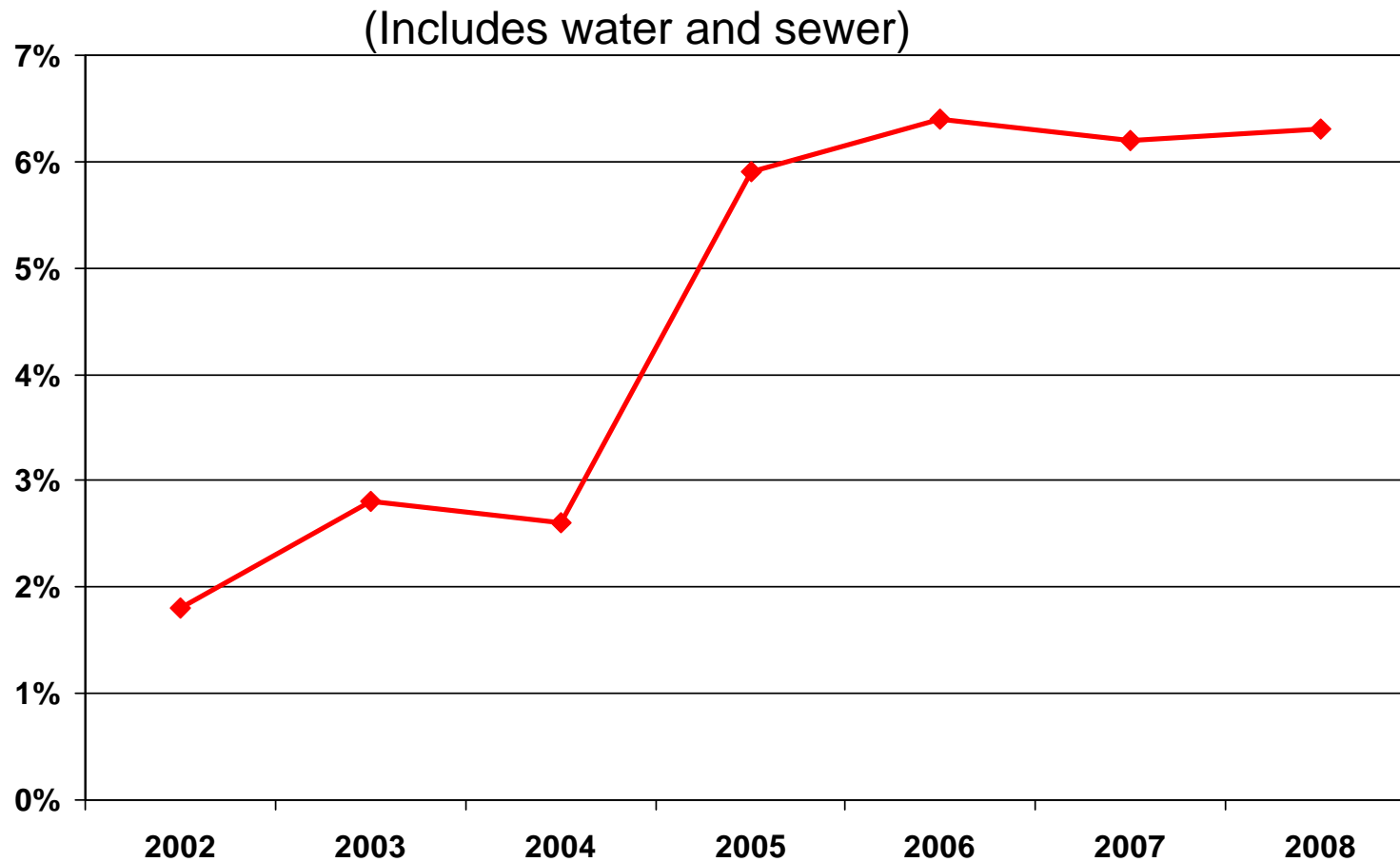
Sewer Reserves as % Sewer Expenditures



Sewer Reserves as a % of Sewer Expenditures

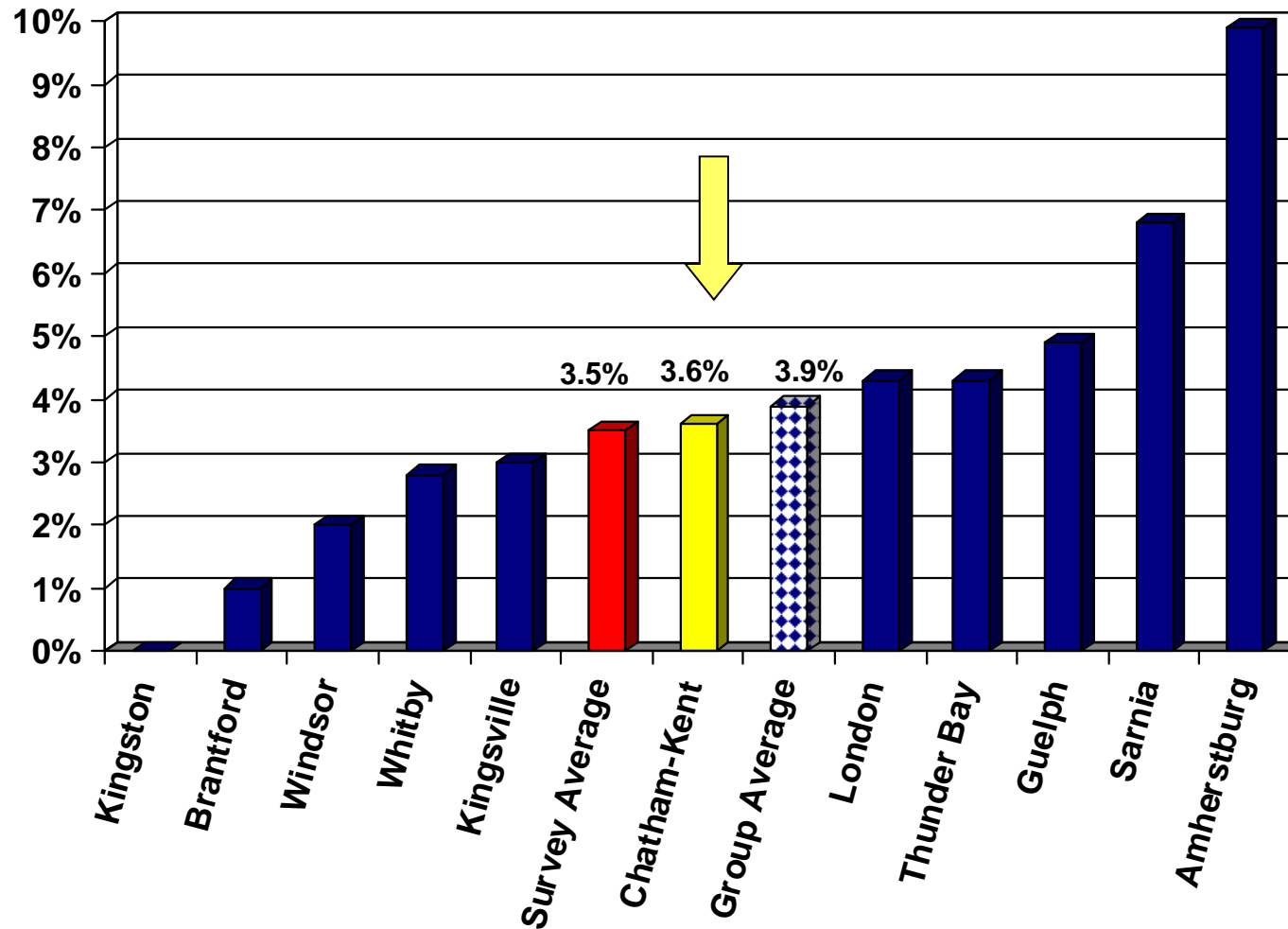


Debt as a % of Total Expenditures

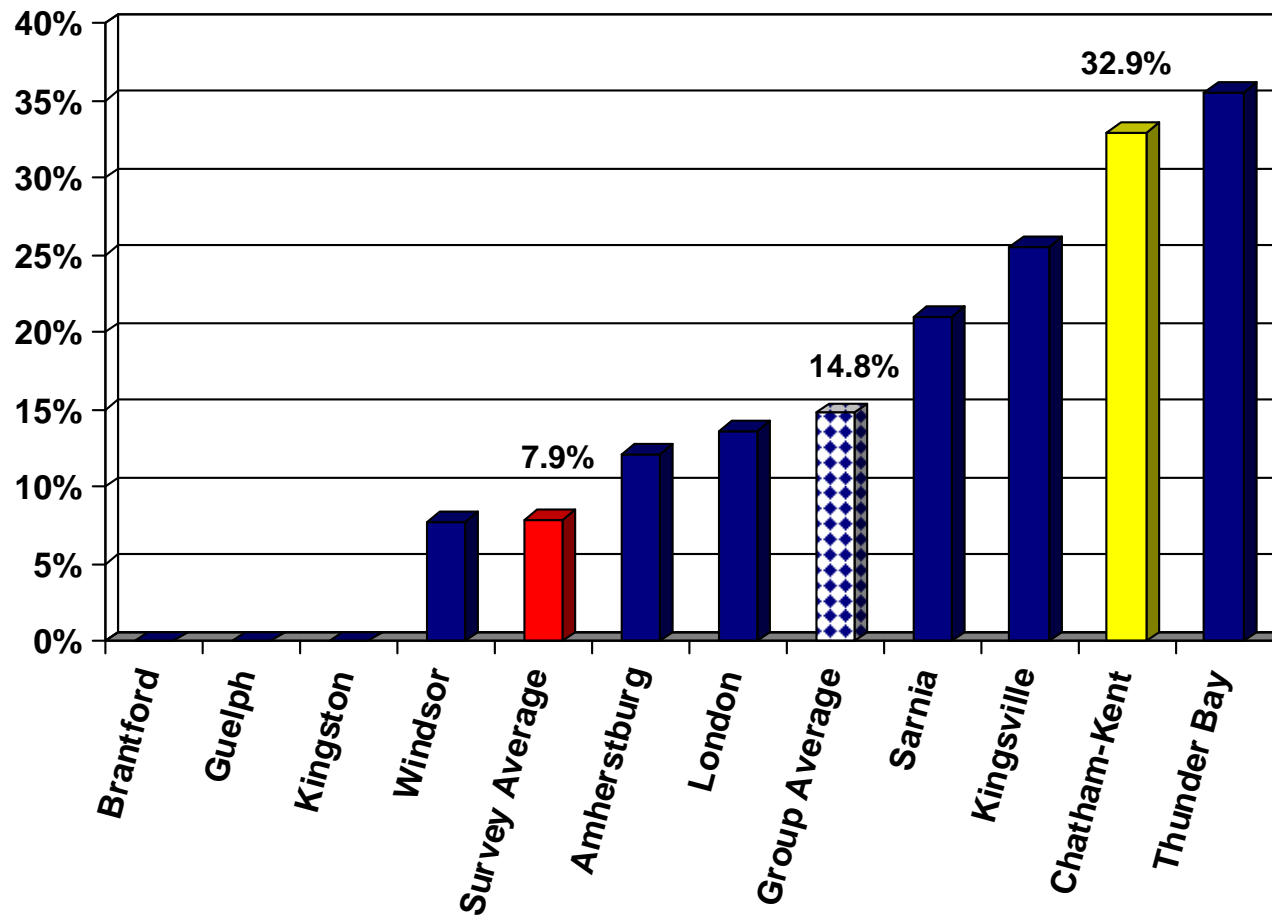


Credit rating agencies consider 5% or lower to be very good, 10% or under is considered acceptable

Debt Charge as % Exp. (excluding water & sewer)

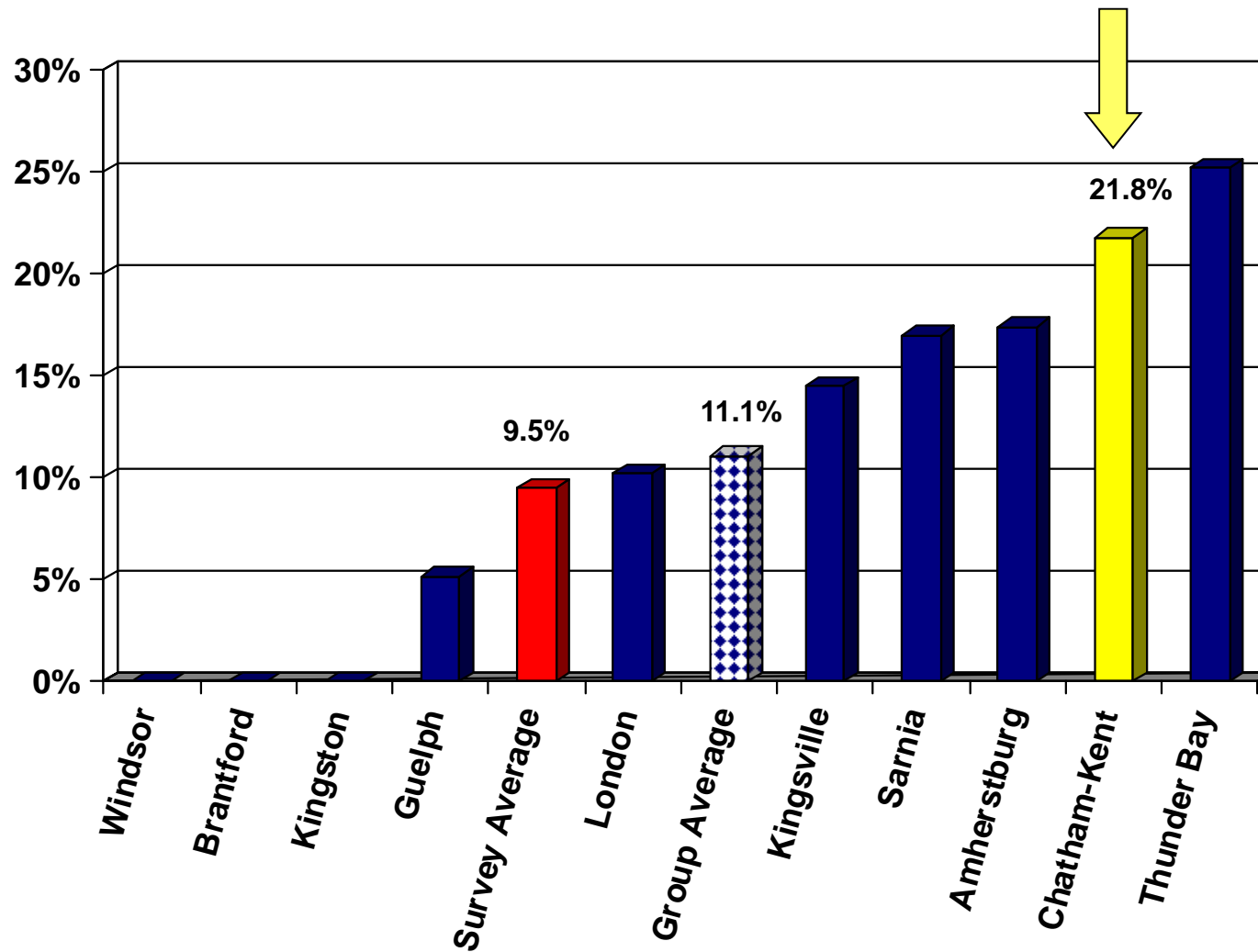


Water Debt Charge as % Water Expenditures

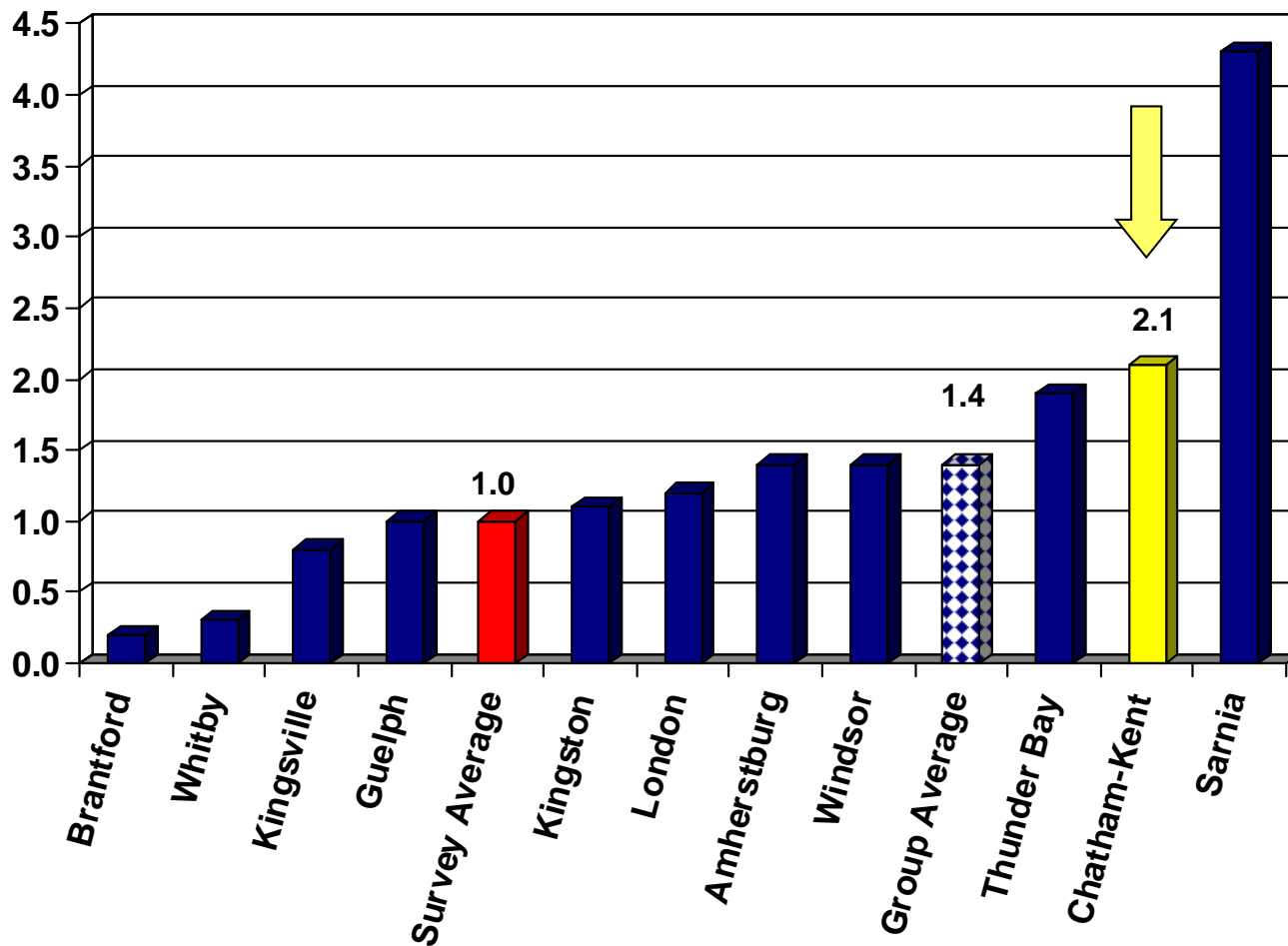


3rd highest in the survey of 81 municipalities

Sewer Debt as % Sewer Expenditures



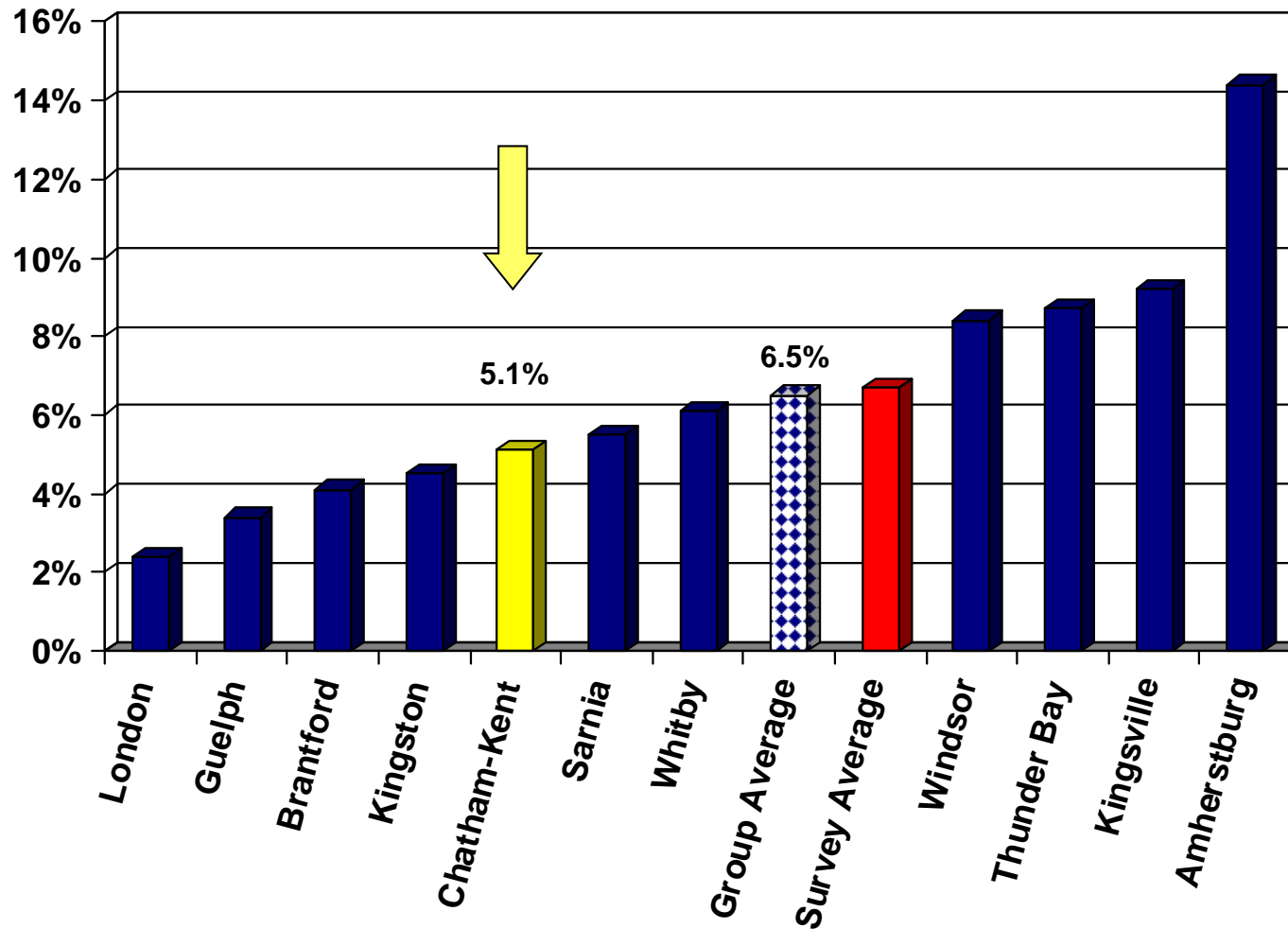
Outstanding Debt to Reserve Ratio



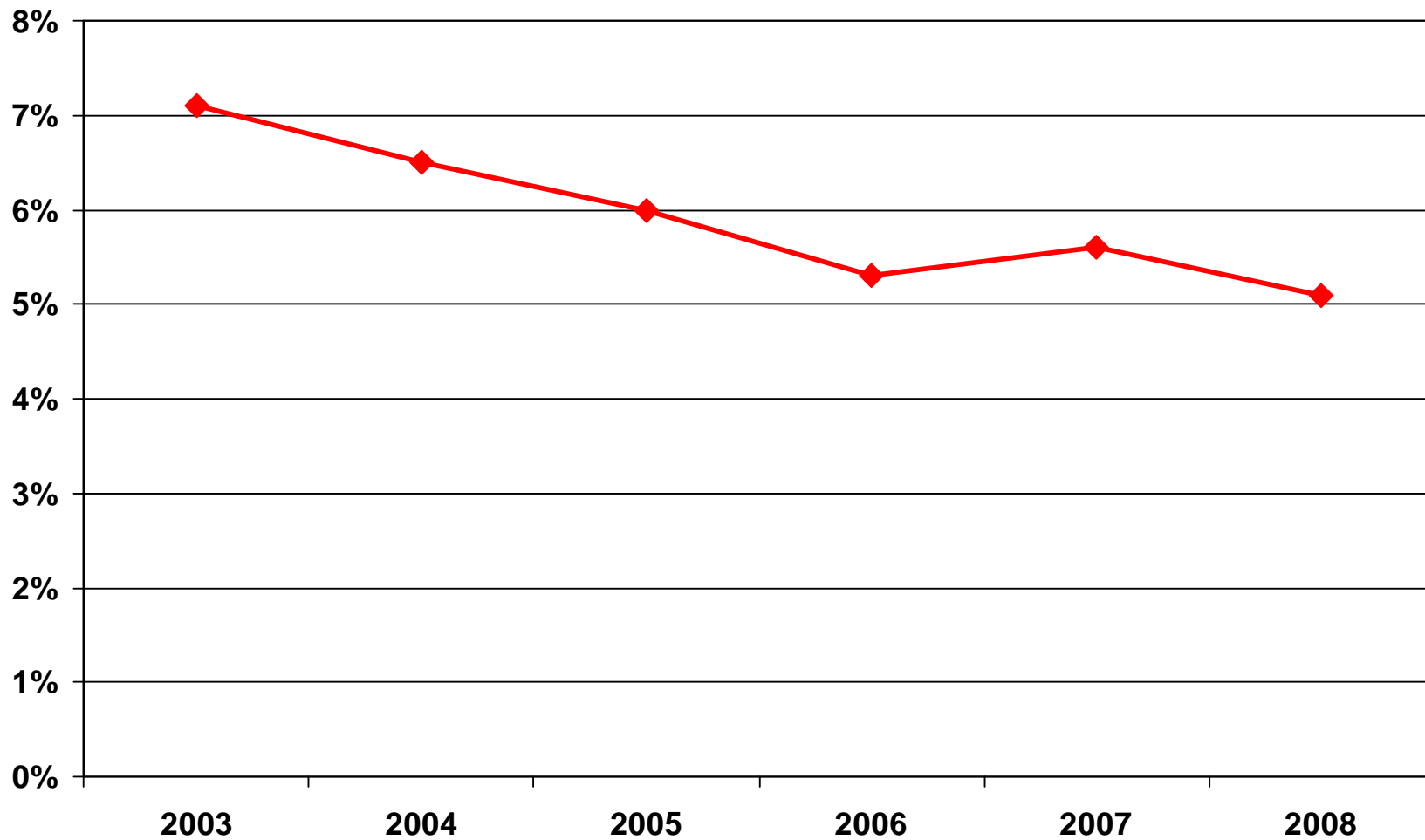
Recommended
to have a ratio
1:1

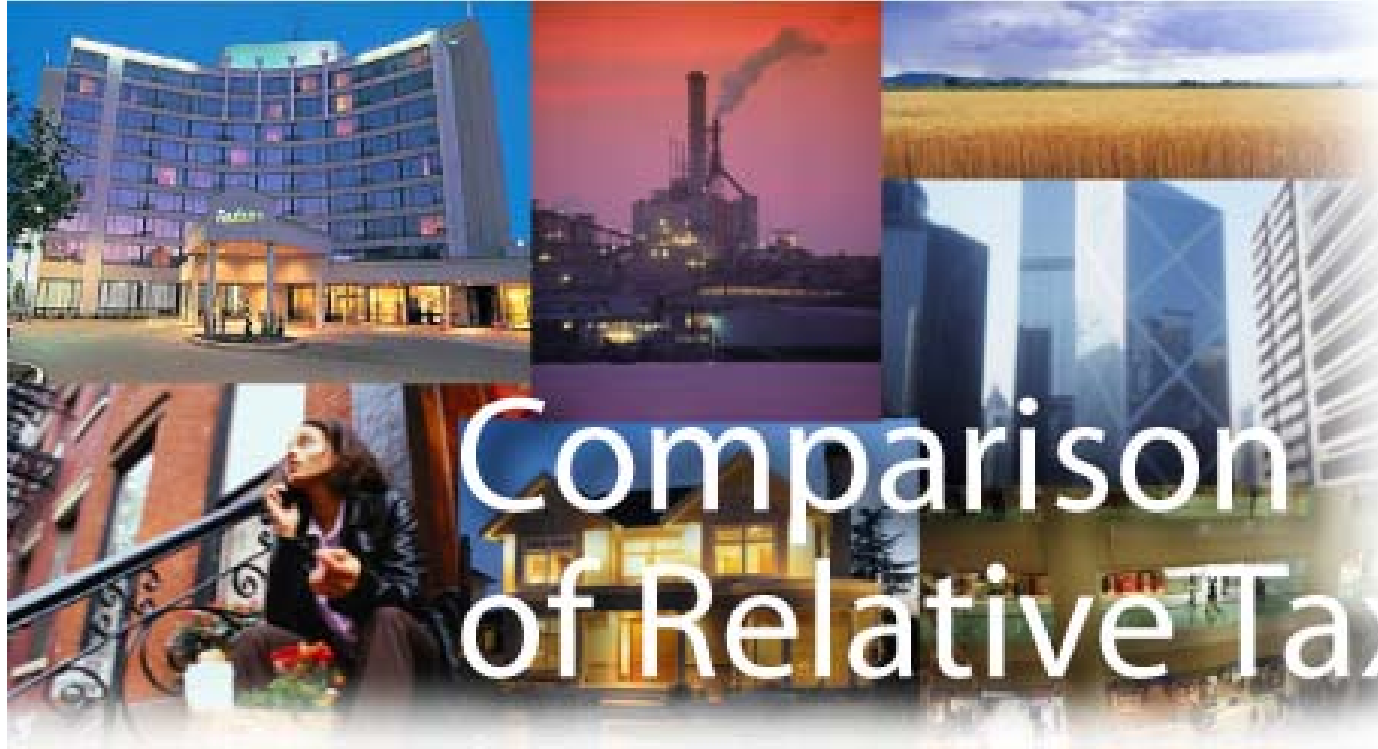
For every dollar
of reserves, the
municipality has
\$2.10 of debt

Taxes Receivable as a % of Taxes Levied



Taxes Receivable as a % of Taxes Levied





Comparison of Relative Taxes

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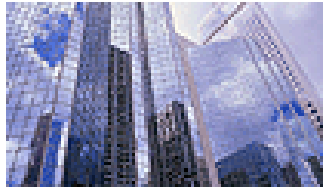
Property Types

- Detached Bungalow
- Senior Executive

- Neighbourhood Shopping
- Office Building
- Hotel
- Motel

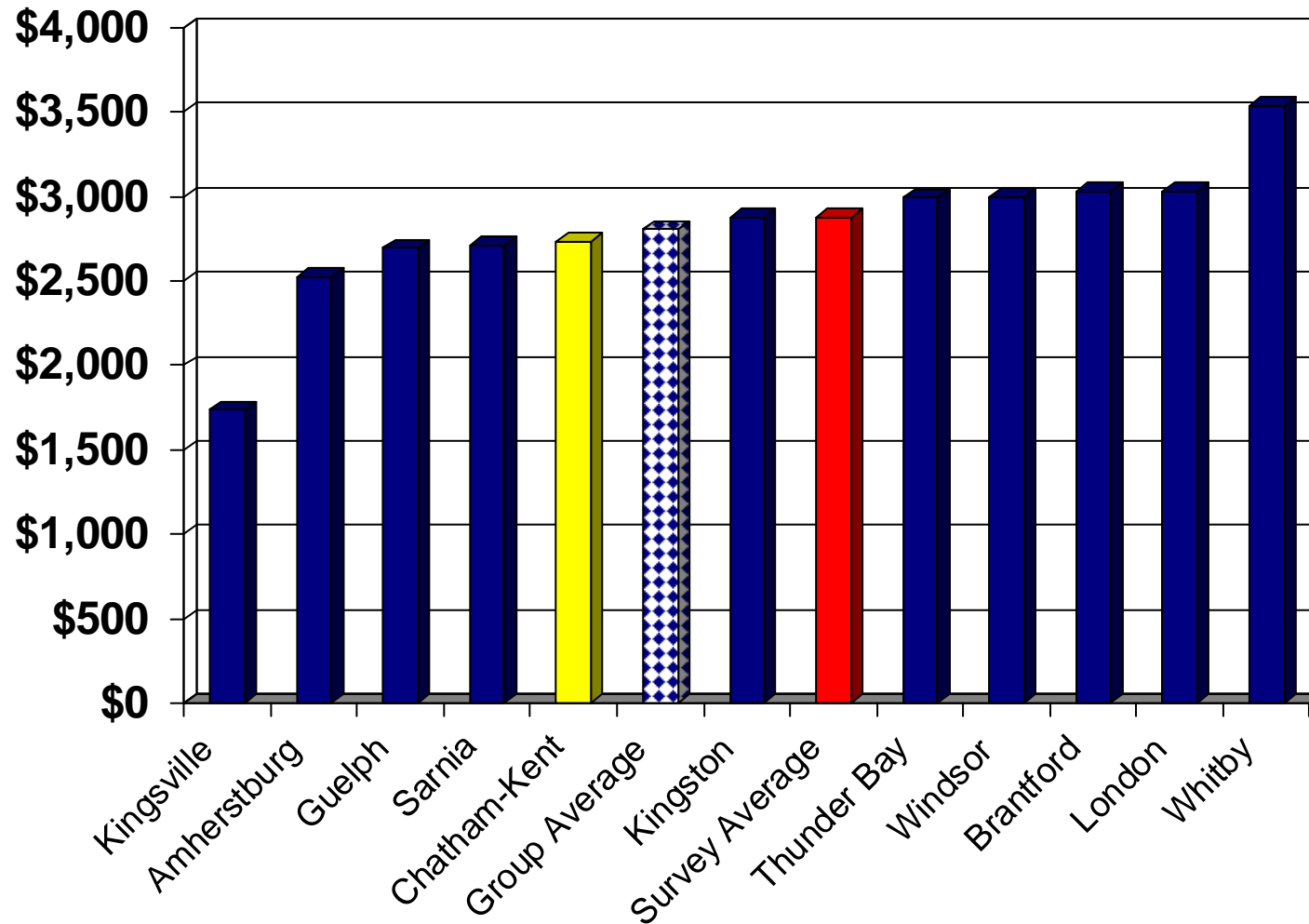
- Walk-up Apartment
- High-rise Apartment

- Vacant Land Industrial
- Large Industrial
- Standard Industrial

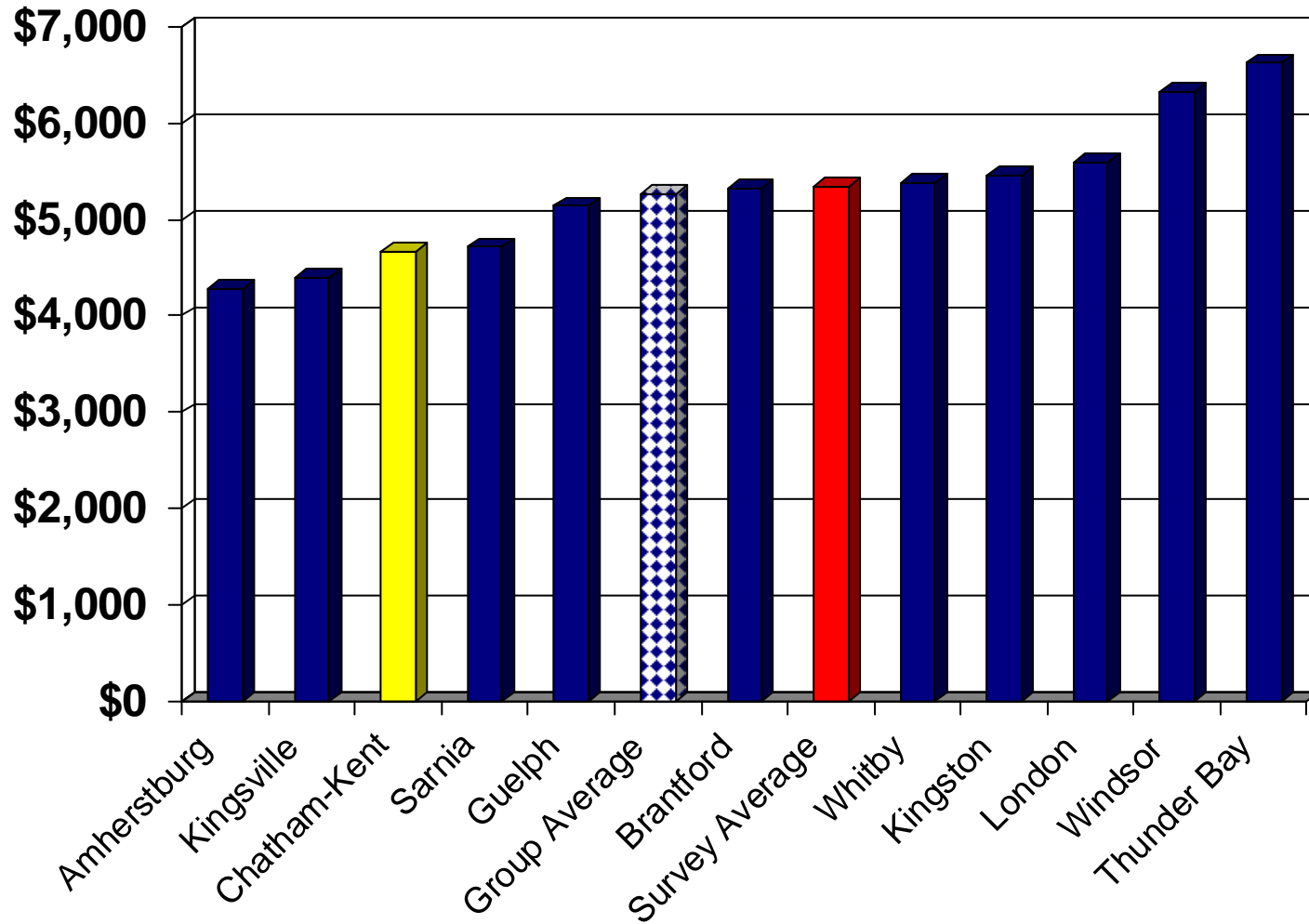


- Comparable properties are used across the 81 municipalities
- Multiple properties are included in each municipality
- Focus should be on the trends rather than the absolutes

Bungalow Taxes - 2009



Executive Taxes - 2009



“Like” Property Comparison: Summary

- Chatham-Kent’s relative tax position is typically low-mid to mid, in comparison to the other municipalities in the survey

Municipality	Residential	Multi-Residential	Commercial	Industrial
Chatham-Kent	low-mid	mid	mid	mid

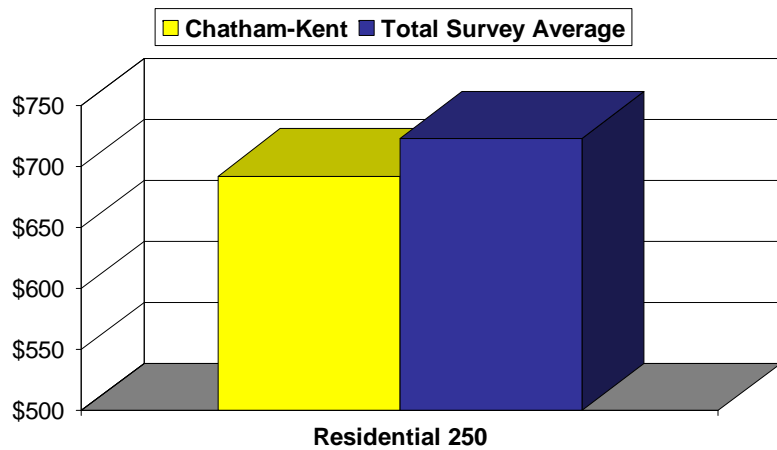
A close-up photograph of a water faucet with a single drop of water falling from the spout. The background is blurred, showing what appears to be a person's hands in a blue uniform. The text "Comparison of Water/Sewer Costs" is overlaid in white on the image.

Comparison of Water/Sewer Costs

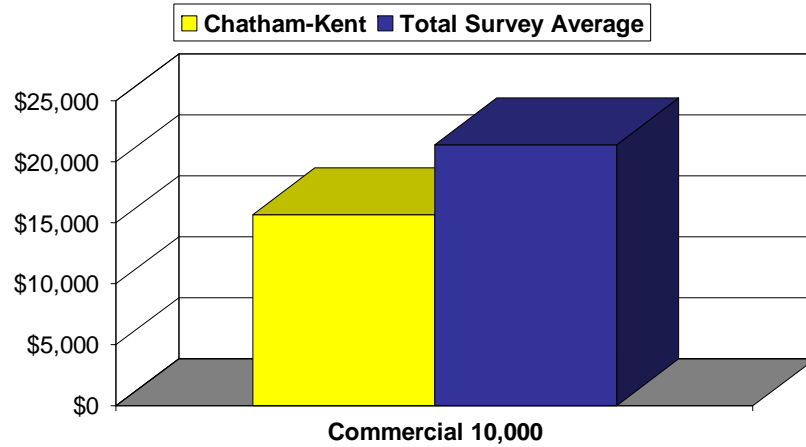
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Water/Sewer Costs 2009

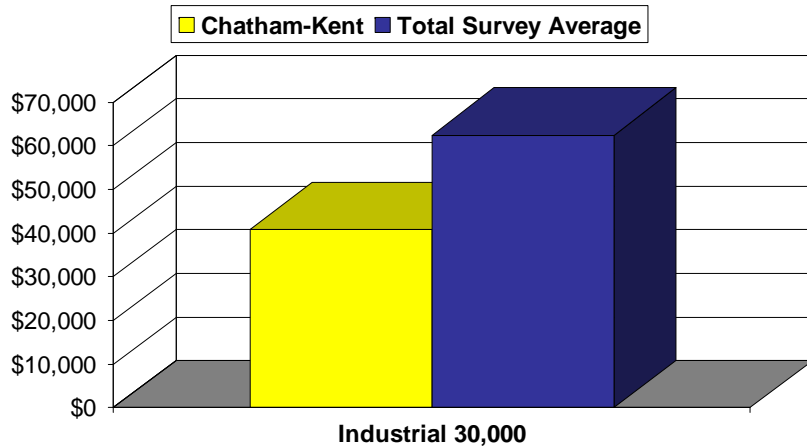


4% lower than survey average



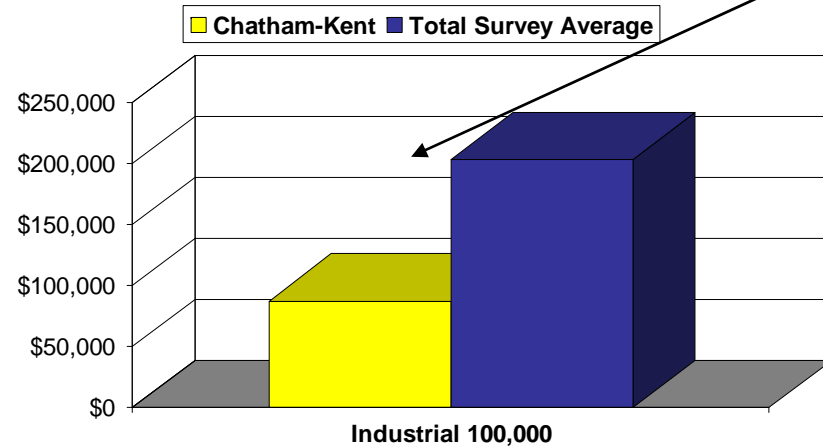
Declining Rate Structure

27% lower than survey average



Declining Rate Structure

35% lower than survey average



Large users lowest in the survey

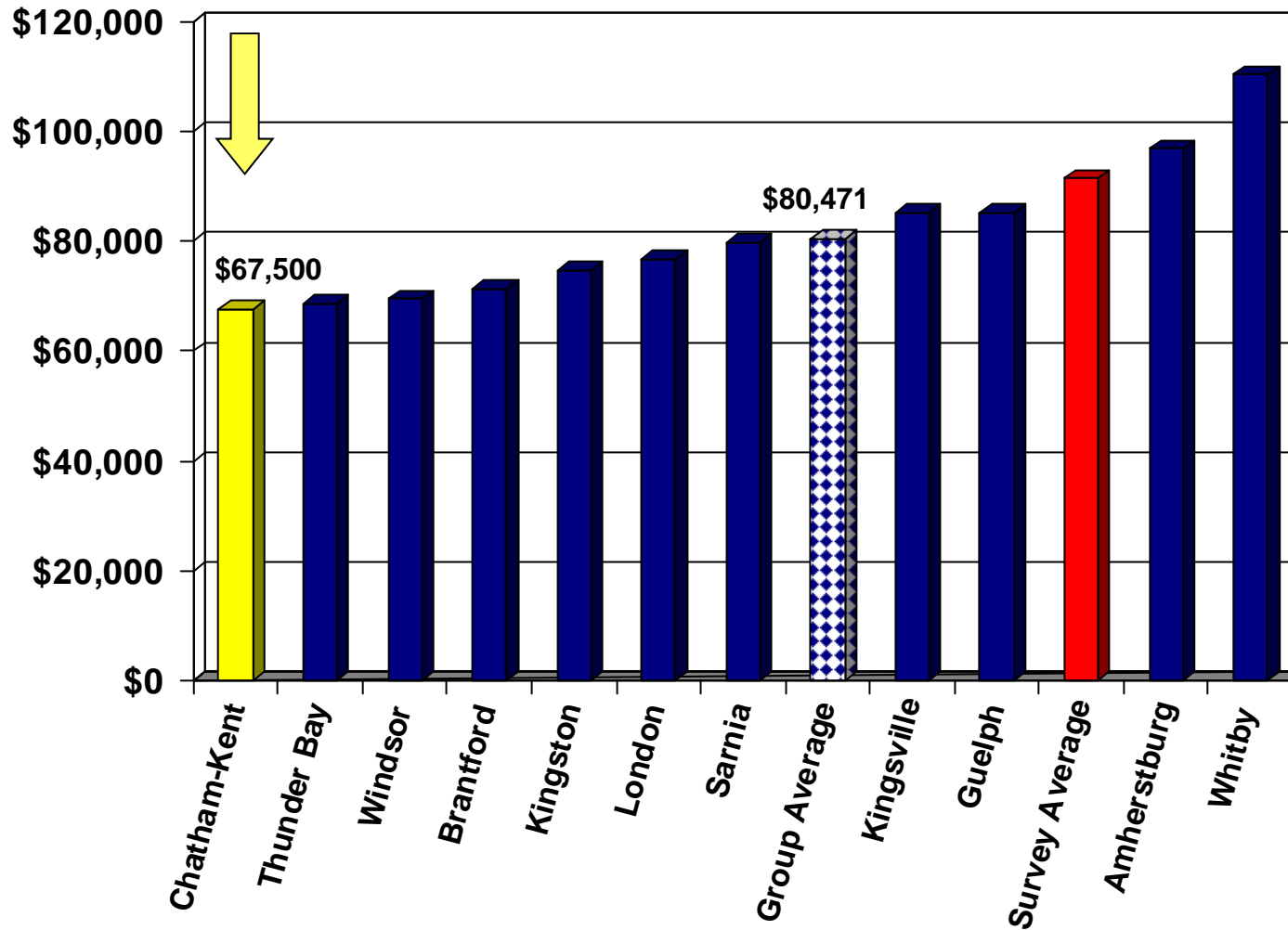
Declining Rate Structure

57% lower than survey average



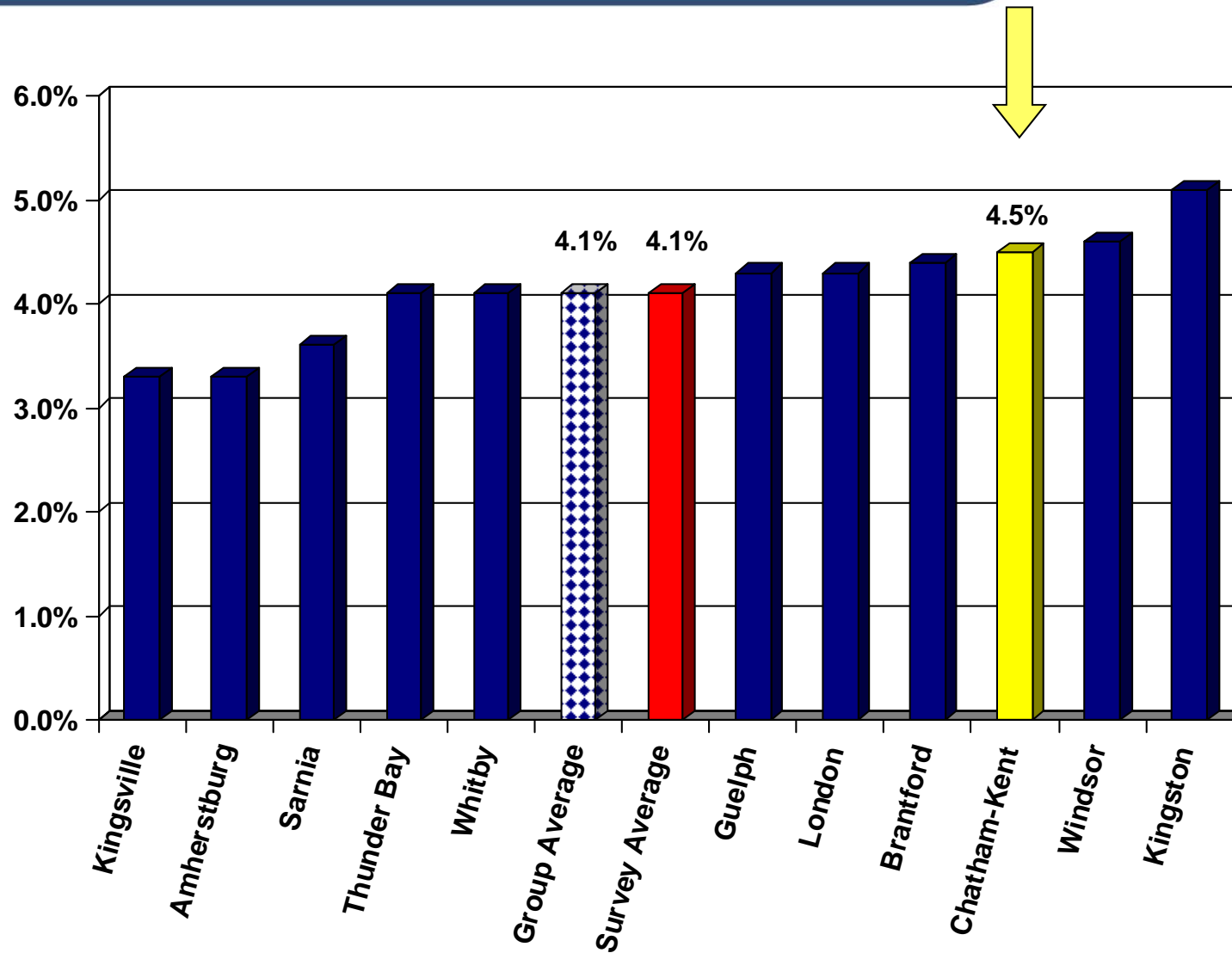
Taxes as a % of Income

Average Household Income

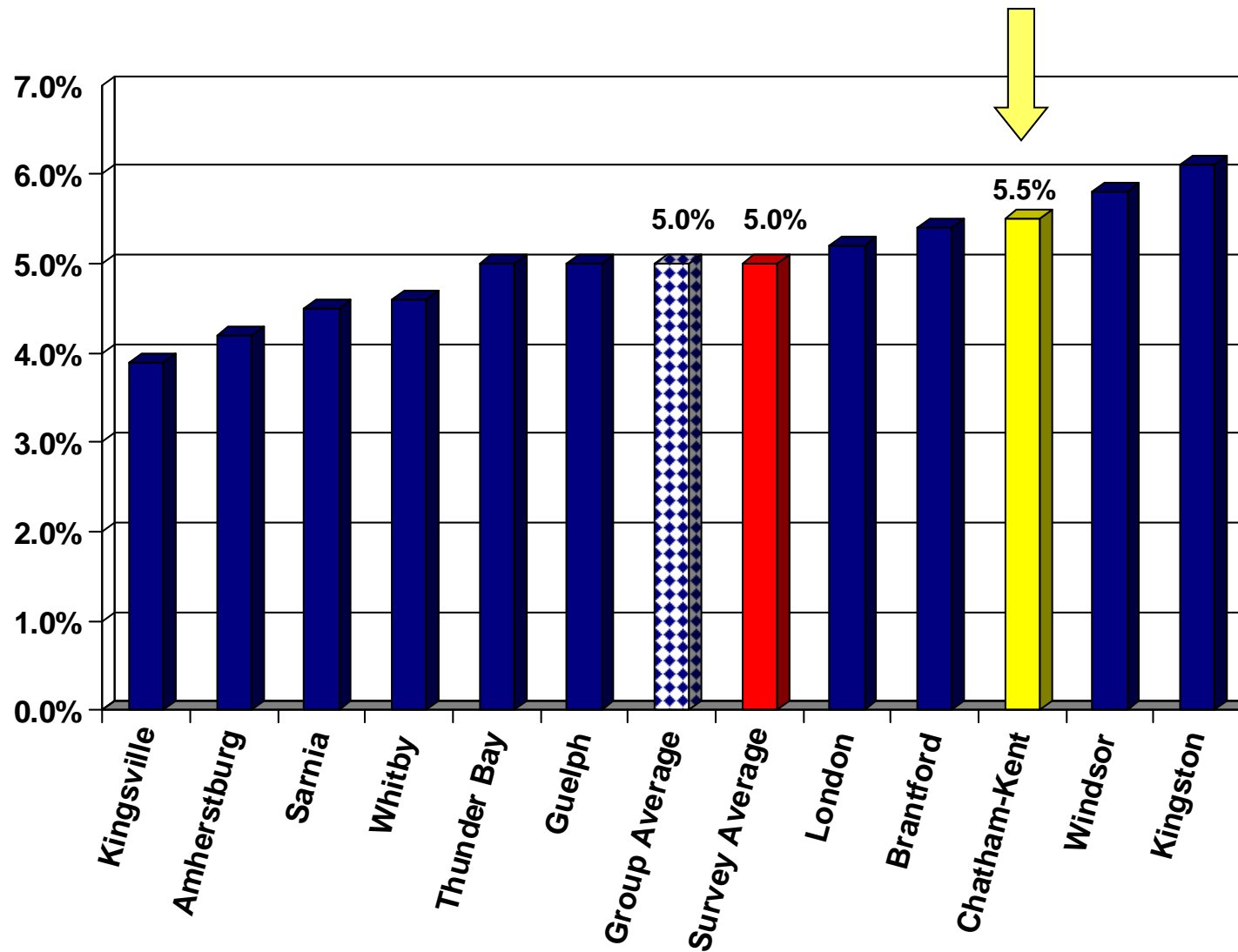


Source Financial Post Canadian
Demographics 2009

Property Taxes as a % of Income



Property Taxes and W/S as a % of Income



Chatham-Kent Summary

- ❑ Amongst largest land area in survey
- ❑ Richness of assessment base in the low range which poses challenges in funding municipal programs
- ❑ Below average assessment growth
- ❑ Below average net municipal levy per capita
- ❑ Low to average expenditures on a service by service basis using per capita and MPMP comparisons
- ❑ Relatively low reserve balance but trending upward for tax supported programs
- ❑ Debt charges above average in water and sewer but overall all debt is within industry standards
- ❑ Low to mid property tax burden in residential and multi-residential
- ❑ Mid property tax burden in commercial and industrial
- ❑ Water/Sewer rates ranked low in all categories especially large users
- ❑ Property taxes + water/sewer as percentage of income is slightly above the average due largely to lower than average income levels

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