

County strives for sustainability with 2015 budget

With its 2015 budget, Lanark County continues to move forward in its efforts to approach fiscal sustainability. The budget was approved at the regular council meeting Wednesday evening with a 0.7 per cent tax increase.

CAO/Treasurer Kurt Greaves says financial sustainability remains the number one goal of county council and staff. "By focusing on our core services and capital renewal, we are able to continue to improve our financial position. Moving forward, we need to ensure we continue to monitor asset replacement costs and continue to work towards a sustainable level of investment."

The overall budget increase is 2.4 per cent, with the county collecting almost \$30.7 million from property taxpayers, up from \$30 million in 2014. Estimated gross expenditures are \$78.4 million, which is a decrease from \$78.6 million in 2014, but gross revenues (before property tax) are down from \$48.6 million to \$47.8 million. The change in revenue is attributed to a reduction in the amount being transferred from reserves.

Major changes in the budget this year are attributed to capital costs. The capital levy is increasing by 6.5 per cent. Projects in 2015 include the completion of the new public works garage, heating and cooling upgrades and LED lighting at the administration building and Lanark Lodge, construction on McNeely Avenue in Carleton Place, work related to a new Smiths Falls ambulance bay and the planning stages of potential social housing redevelopment as part of the 10-year Housing and Homelessness Plan.

"The operations budget increase is 1.2 per cent," Mr. Greaves said. "We have worked very hard to control our operating costs so we can invest in capital renewal and keep tax rates affordable."

The public works budget represents 39 per cent of the entire county budget, followed by social services and social housing at 20 per cent, and emergency services/health at 19 per cent.

Final 2015 assessment data is not available, but with growth estimated to be 1.7 per cent, residential ratepayers with a property assessed at \$200,000 can expect to see an increase of slightly under \$6 on the county portion of their tax bill. The bill also includes the local municipal and the education portions. Tax rates and ratios for 2015 will be set by county council this spring.

A number of competing interests continue to affect the budget, Mr. Greaves said, including taxpayer expectations for levels of service while taking legislation and liability into account, the infrastructure deficit, the fiscal imbalance of downloaded services without adequate funding, the desire to maintain low tax rates and a regressive property taxation system.

"We have made strides with our asset management program, which helps us to determine what needs to be spent annually. We have determined we need to reinvest \$11 million annually, and we are approaching that target with \$10.8 million in 2015," Mr. Greaves said. "The infrastructure deficit, which is a lack of infrastructure reinvestment – specifically for Lanark County roads, bridges and social housing – continues to be a huge issue affecting municipalities across Canada."

The county continues to pay down debt related to non-profit housing, redevelopment and rehabilitation of building costs and road standard upgrades, and it has incurred no new debt since 2010. "The provincial debt is \$274 billion, and this is the single biggest threat to the economic future of Ontario residents," Mr. Greaves said.

Warden Keith Kerr (Tay Valley Reeve) thanked council, senior staff and departmental personnel for their

hard work during the budget process. "The county is in a good financial position, and by continuing on the current path we are building a strong future. This budget also takes local municipalities and ratepayers into account as we all continue to face fiscal pressures."

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