

Municipality of Kincardine

1475 Concession 5, R.R.#5
KINCARDINE, Ontario N2Z 2X6



For Immediate Release

March 12, 2015

The Municipality of Kincardine's 2015 Budget was passed at the March 11th, 2015 Council meeting. The 2015 Budget includes \$23.0 million in operating expenses and \$4.8 million in capital expenses, for an overall budget of \$27.8 million. In comparison to 2014, operating expenses have been reduced by \$320,000, or 1.4%.

The Municipality's budget was significantly impacted by the decline in non-tax revenues and grants, which in aggregate amounted to a loss of \$1.219 million for 2015. The decline in revenues was partially alleviated by a reduction in policing costs of nearly \$400,000, which is a direct result of the implementation of a new Ontario Provincial Police (OPP) billing model effective January 1st, 2015. Further cost reductions were made in the areas of economic development, conferences and training, building and equipment maintenance, audit fees, and election reserve contributions. While operating expenses have been reduced significantly, a tax rate increase was unavoidable in order not to compromise the existing programs and service levels provided to the community.

The municipal tax rate increase for 2015 is 7.08%, which will generate \$694,000 in additional tax revenues. An average residential home with an assessed value of \$250,000 will see an increase in the total annual property tax bill of \$80, or \$6.67 per month.

Council has also recognized the importance of implementing best practices in asset management, and therefore 1.5% of the tax rate increase, or \$150,000, will be directed towards future capital and infrastructure requirements, with particular emphasis on roads and bridges.

Included within the \$4.8 million capital budget are the following notable projects, all of which will be funded from existing reserves and reserve funds:

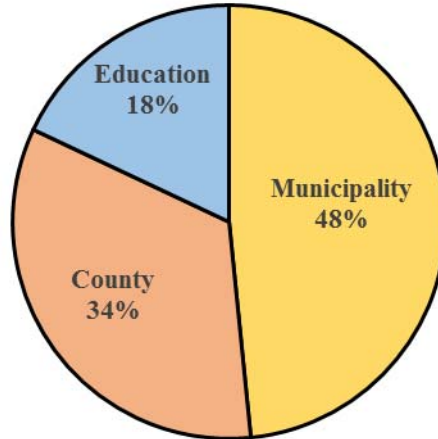
- \$965,000 to fund Phase 2 of the renovations for the Kincardine Centre for the Arts
- \$836,000 to fund the Phase 1 surface coat in Huron Ridge and to complete the final phase of the Huron Ridge road reconstruction work, of which \$143,000 is funded through the Ontario Community Infrastructure Fund (OCIF)
- \$624,000 to replace the aeration system at the Kincardine Waste Water Treatment Plant
- \$465,000 to replace the arena roof at the Davidson Centre
- \$360,000 to repave the downtown municipal parking lot
- \$354,000 to fund the exterior overcoat of the Tiverton and Kincardine standpipes

The budget also includes the following community initiatives:

- Continued support for physician recruitment and retention
- \$50,000 to fund the Community Investment Grants program
- \$50,000 for continued phragmites eradication along the shoreline
- Support for the Kincardine Lion's Club Splash Pad, scheduled to be operational by Spring 2015

Allocation of Property Taxes:

For every \$1 of tax revenue collected, the Municipality retains \$0.48, while \$0.34 is remitted to the County of Bruce and \$0.18 is remitted to the local school boards for funding education services in the community.



The following chart illustrates the impact of the tax rate increase based on property values. For example, a residential property with an assessed value of \$250,000 will pay an additional \$80 on their annual tax bill.

Change in Taxation by Assessment

Assessed Value:		\$ 200,000	\$ 250,000	\$ 300,000	\$ 350,000	\$ 400,000	\$ 450,000
2014 Actual Tax Rate							
Municipality	0.00509698	\$ 1,019	\$ 1,274	\$ 1,529	\$ 1,784	\$ 2,039	\$ 2,294
County	0.00382799	\$ 766	\$ 957	\$ 1,148	\$ 1,340	\$ 1,531	\$ 1,723
Education	0.00203000	\$ 406	\$ 508	\$ 609	\$ 711	\$ 812	\$ 914
Total	0.01095497	\$ 2,191	\$ 2,739	\$ 3,286	\$ 3,834	\$ 4,382	\$ 4,930
2015 Budget							
Municipality	0.00545785	\$ 1,092	\$ 1,364	\$ 1,637	\$ 1,910	\$ 2,183	\$ 2,456
County	0.00378902	\$ 758	\$ 947	\$ 1,137	\$ 1,326	\$ 1,516	\$ 1,705
Education*	0.00203000	\$ 406	\$ 508	\$ 609	\$ 711	\$ 812	\$ 914
Total	0.01127687	\$ 2,255	\$ 2,819	\$ 3,383	\$ 3,947	\$ 4,511	\$ 5,075
Net Increase							
Municipality	7.08%	\$ 72	\$ 90	\$ 108	\$ 126	\$ 144	\$ 162
County	-1.02%	-\$ 8	-\$ 10	-\$ 12	-\$ 14	-\$ 16	-\$ 18
Education	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	2.94%	\$ 64	\$ 80	\$ 97	\$ 113	\$ 129	\$ 145

* Education rates have not been finalized for 2015

For more information, please contact:

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