

ZERO IS NOTHING

**BUT LONDON DESERVES BETTER
THAN NOTHING**

QUICK HISTORY

1997-2003

Two years of 0%, sewer off tax bill, debt up, new industrial land and civic projects, new growth areas, Hydro deregulation, provincial downloading

Highest assessment increase – 1.4%

QUICK HISTORY

2004-2010

Debt cap, growth management plan,
Hydro note begins to pay 6%,
provincial uploading begins

Highest assessment increase – 2.36%

QUICK HISTORY

2011-2012

Two years of 0%, provincial uploading continues (ODSP, OW)

Highest assessment increase – 1.43%

2013 – call Hydro note? Civic Projects?
Increase debt? Assessment increase?
More cuts to service levels?

Assessment Growth – how much does it buy?

As per Council Policy, the amount of assessment growth that exceeds the costs of delivering core services to new growth areas is divided:

- Half to avoid issuing new debt
- Half to economic development initiatives or levy reduction

**Assessment Growth –
it’s not as much \$\$ as
you might think.**

As revised on Jan 9
from \$580,000 -
\$5 million available for
debt avoidance
(\$2.5M) and economic
development or tax
levy reduction (\$2.5M)

	\$millions	
Assessment Growth (1.43%)		\$6.8
Allocation of Assessment Growth		
- Costs related to servicing an expanding city	(\$1.8)	
- Debt avoidance	(\$2.5)	
- Economic Development or tax levy	(\$2.5)	

Assessment Growth – reality check

Assume doubling the assessment increase to 2.86% ($1.43\% \times 2$)

- Highest increase between 2000 and 2013 was 2.36% in 2009.
- Average from 2000 to 2013 = 1.53%

Assessment Growth – reality check

Assume doubling the assessment increase to 2.86% and no change in costs:

- **you only have another \$6.8 million more for levy reduction or economic initiatives**

In terms of the budget, it doesn't buy much:

- Next year's forecasted status quo tax increase is 3.9% or roughly \$16 M.



Choices for 2013?

- To get to a 2.5% levy increase for 2013, there are already \$5.7 M in service cuts
- To get to a 0.7% levy increase requires another \$3.7 M in service cuts, (but adds \$106K for councillor admin support)

SO???

- Assessment growth is good, but it is not going to fill all the potholes left on The Road to Zero.

Choices for 2013?





Choices for 2013?

- After the budget was tabled, Council took \$85K in parking revenue from 2013 and \$260K for 2014 by changing overnight parking rules
- Council has received a recommendation to increase the levy to cover the loss of overnight parking revenue!



Choices for 2013?

Compare this to one of the cuts to LMHC to get to 0.7%

- For \$273K (+0.1%) you can avoid cutting LMHC summer programming and 19 summer jobs (\$116K), and keep its weekly garbage collection (\$157K)

Ask yourselves ...



Choices for 2013?

- Where are Council's priorities?
- WE ARE A CARING CITY NOT A MEAN CITY!