



The Urban League of London
Budget 2013 – Presentation to Council

+ The Urban League of London
Who we are:

- Umbrella association of 29 ratepayer and community groups
- Registered Charity
- Member groups in every ward
- Representatives from across the political spectrum
- Improve quality of life in London
- Affordable taxes with solid services



+ The Urban League of London

Who we're not...



+ Property Tax – Value Added?

- Average Household Telecommunications Bill
(Source: 2012 CRTC Annual Report)

- \$181 / month

- Includes:
 - Television
 - Home Phone
 - Internet
 - Cellular



- Average Household Property Tax Bill

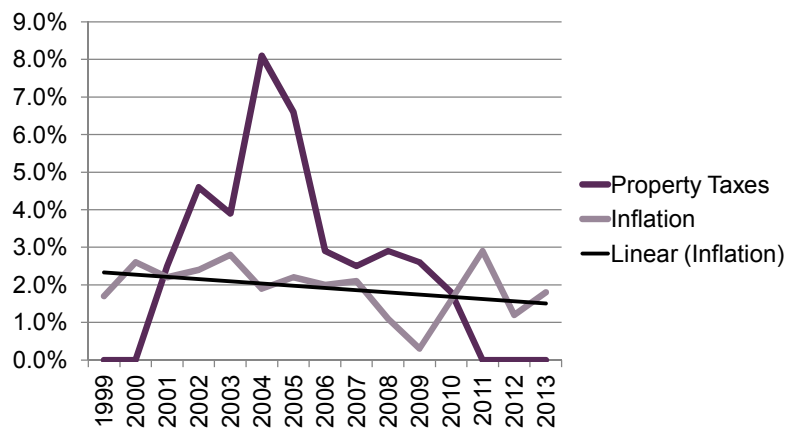
- \$200 / month

- Includes:
 - 24/7 Police, Fire, EMS
 - Roads & Major Capital
 - Snow Clearance
 - Social Support Services
 - Transit
 - Libraries
 - Parks and Recreation
 - Garbage Collection
 - Housing
 - Culture & Heritage
 - City Planning
 - Primary and Long-Term Care



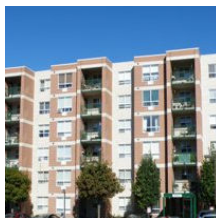
+ Will History Repeat Itself?

Property Tax Increases Vs. Inflation



Budget Pressures

To Cut or not to Cut



+ Budget Pressures

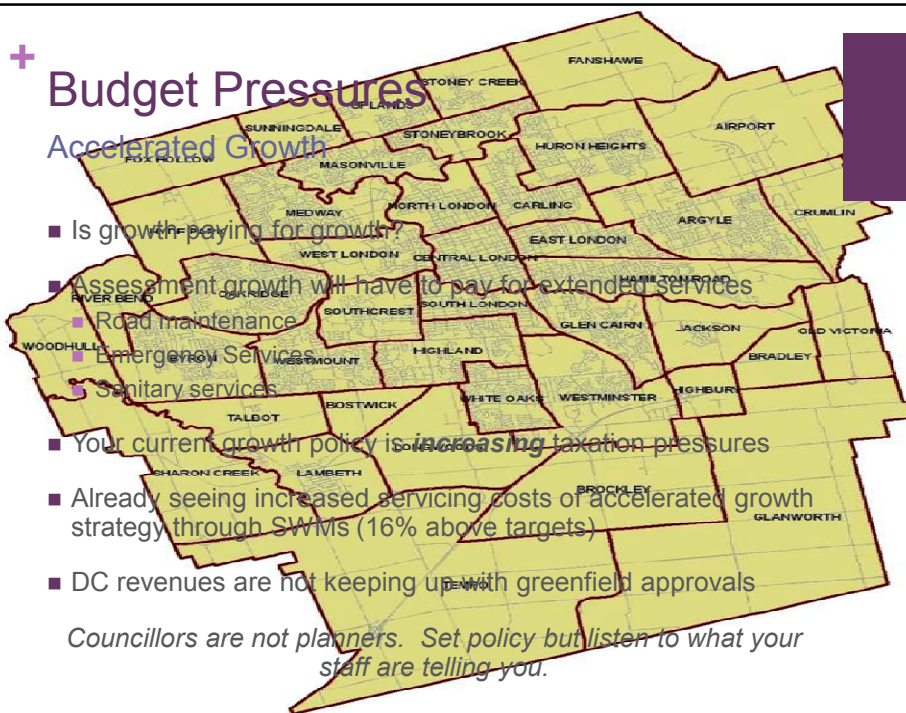
Fire Services



- Largest single driver of budget increase
- Represents **0.9%** increase to levy over 2012 (\$4.1M)
- LFS is meeting or exceeding its response time targets
- \$56M budget
 - 275 structure fires (2012)
 - ~\$206,000 per fire
- May be reasonable to postpone relocation of station and fire training tower

+ Budget Pressures

Accelerated Growth



- Is growth paying for growth?
- Assessment growth will have to pay for extended services
 - Road maintenance
 - Emergency Services
 - Sanitary services
- Your current growth policy is **increasing** taxation pressures
- Already seeing increased servicing costs of accelerated growth strategy through SWMs (16% above targets)
- DC revenues are not keeping up with greenfield approvals

Councillors are not planners. Set policy but listen to what your staff are telling you.

+ Growth

Money in them thar hills?

- Projected at 1.43%
- Funds available to reduce levy as a result: \$2.5M (0.5%)
 - This budget proposes to use surplus for economic development
 - We recommend that surplus is used to reduce cuts
- Even if growth were twice current levels this would only generate \$5 M (or about 1% impact on levy)



+ Revenues

Perhaps it's time to consider DC increases

- DC review will be important in achieving budget goals
- Council should know exactly how much incentives cost
 - (this year has \$500K for Development Charges Exemption RF)
- When DCs are waived, taxpayers make up that share (direct impact to levy)
- 2011 industrial building permits = \$75M
- If industrial DCs were raised to 5% or 10%, London would still be very competitive and service cuts could be lessened
- *Example:* Rate supported development at Innovation Park
 - \$ 5.6M x 10% = \$560,000

+ Recommendation – Modest tax increase in line with inflation

■ Budget reductions with less impact to citizens and services

- Fleet lifecycle extension
 - \$543,000
- Building Approvals User Fee
 - \$19,000
- London Hydro Parking
 - \$15,000
- MLHU non-direct service
 - \$271,000
- Fire Services Review
 - \$2,520,000

- Defer fire tower relocation
 - \$2,398,000
- Corporate Services Review
 - \$1,620,000
- Add 50% of assessment growth \$2.5M

■ \$9,886,000 or ~2.1% property tax increase

■ Remember:

- *The City of London is the 6th largest employer –*
- *Layoffs are contrary to your job creation goal*

+ Key Points

- Staff worked hard to bring in budget on target
- Don't touch reserves
 - Only kicking costs down road
- Don't touch services
 - Libraries
 - AODA
 - Affordable Housing
 - Transportation
- Departments markedly over budget should be first consideration for cuts

2.5% = \$5/month

