Understanding a City Budget

What is a Municipal Budget?

How a municipal budget works

YOUR CITY FINANCES

How your City Budget works
Where Do My Tax and Water Bills Go?

KNOW WHERE YOUR MONEY GOES

PROPERTY TAX DISTRIBUTION
- 14% CITY OF CAMBRIDGE
- 36% REGION OF WATERLOO
- 50% SCHOOL BOARDS

WATER BILL DISTRIBUTION
- 59% CITY OF CAMBRIDGE
- 41% REGION OF WATERLOO
Budget Overview

Budget By Strategic Plan
Budget Overview

PEOPLE

COMMUNITY WELLBEING

GOVERNANCE & LEADERSHIP

PLACE

ARTS, CULTURE, HERITAGE AND ARCHITECTURE

ENVIRONMENT AND RIVERS

PARKS AND RECREATION

PROSPERITY

ECONOMIC DEVELOPMENT AND TOURISM

TRANSPORTATION AND INFRASTRUCTURE
## Community Wellbeing

### Budget Highlights

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Bill</td>
<td>$492 per household</td>
</tr>
<tr>
<td>Water Bill</td>
<td>$286 per household</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>$2.2 million</td>
</tr>
</tbody>
</table>

## Governance and Leadership

### Budget Highlights

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Tax Bill</td>
<td>$232 per household</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>$1.1 million</td>
</tr>
</tbody>
</table>
PLACE

**Arts, Culture, Heritage and Architecture**

**Budget Highlights**

- **TAX BILL**: $152 PER HOUSEHOLD
- **Capital Investment**: $0.8 MILLION

**Environment & Rivers**

**Budget Highlights**

- **TAX BILL**: $59 PER HOUSEHOLD
- **Water Bill**: $376 PER HOUSEHOLD
- **Capital Investment**: $5.2 MILLION

**Parks & Recreation**

**Budget Highlights**

- **TAX BILL**: $191 PER HOUSEHOLD
- **Capital Investment**: $2.2 MILLION
PROSPERITY

ECONOMIC DEVELOPMENT AND TOURISM

BUDGET HIGHLIGHTS

<table>
<thead>
<tr>
<th>TAX BILL</th>
<th>$46 PER HOUSEHOLD</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPITAL INVESTMENT</td>
<td>$34.4 MILLION</td>
</tr>
</tbody>
</table>

TRANSPORTATION AND INFRASTRUCTURE

BUDGET HIGHLIGHTS

<table>
<thead>
<tr>
<th>TAX BILL</th>
<th>$211 PER HOUSEHOLD</th>
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</thead>
<tbody>
<tr>
<td>WATER BILL</td>
<td>$489 PER HOUSEHOLD</td>
</tr>
<tr>
<td>CAPITAL INVESTMENT</td>
<td>$16.0 MILLION</td>
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</table>
Capital Investment Summary

<table>
<thead>
<tr>
<th>CITY SERVICE INVESTMENT SECTOR</th>
<th>$MILLIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECONOMIC DEVELOPMENT AND TOURISM</td>
<td>$34.4</td>
</tr>
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<td>TRANSPORTATION AND INFRASTRUCTURE</td>
<td>$16.0</td>
</tr>
<tr>
<td>ENVIRONMENT AND RIVERS</td>
<td>$5.2</td>
</tr>
<tr>
<td>COMMUNITY WELLBEING</td>
<td>$2.2</td>
</tr>
<tr>
<td>PARKS AND RECREATION</td>
<td>$2.2</td>
</tr>
<tr>
<td>GOVERNANCE AND LEADERSHIP</td>
<td>$1.1</td>
</tr>
<tr>
<td>ARTS, CULTURE, HERITAGE, ARCHITECTURE</td>
<td>$0.8</td>
</tr>
</tbody>
</table>

2019 Capital Investment: $61.9M
10-Year Investment Plan: $462M
Capital Investment Summary

2019 Capital Investment: $61.9M
Capital Investment Summary

2019 Key Projects

King Street Improvements
Main Street Improvement
New Collector Roads in East Side Lands (North of 401)
Queen Street Pumping Station Reconstruction
Security Camera Enhancement
Lighting Improvements – Riverside Park, Soper Park, Riverside walkway
Corporate Strategic Plan
Capital Investment Summary

2019 Key Projects

Galt Arena – Lighting and Energy Efficiency
Hespeler Arena – Entrance door
Witmer Park Improvements
Riverbluff’s Dock Replacement
Fire Station 2 and 3 Improvements
David Durward Centre Improvements
Security Barricades for Events
Budget Summary

TAX DISTRIBUTION
14% SCHOOLS
36% CITY OF CAMBRIDGE
50% REGION OF WATERLOO

ANNUAL INCREASE (CITY PORTION)
3.72% 2019 tax-rate increase
$50 Increase per average household
$1383 Total municipal portion per household

THE BREAKDOWN
Average cost per household per city service
TOTALING $1383

$492 $232 $211 $191 $152 $59 $46
Budget Summary

**WATER-UTILITY**
- 41% Region of Waterloo
- 59% City of Cambridge

**TOTAL ANNUAL INCREASE**
- 4.31% water-bill increase
- $48 increase per average household
- $1151 average total per household

**THE BREAKDOWN**
- Average cost per household for water: TOTAL: $1151
  - $492
  - $232
  - $211
How Does Cambridge’s Tax Bill Compare?

Source: BMA Management Consulting Inc. Municipal Study 2018
How Does Cambridge’s Water Bill Compare?

ANNUAL WATER BILL FOR AVERAGE HOUSEHOLD (200 CUBIC METRE CONSUMPTION)

Source: BMA Management Consulting Inc. Municipal Study 2018
## Affordability

### How affordable is Cambridge’s Tax Bill?

<table>
<thead>
<tr>
<th>CITY</th>
<th>2018 EST. AVG. HOUSEHOLD INCOME</th>
<th>2018 AVERAGE RESIDENTIAL TAXES</th>
<th>2018 PROPERTY TAXES AS % OF HOUSEHOLD INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cambridge</td>
<td>$97,643</td>
<td>$3,734</td>
<td>3.8%</td>
</tr>
<tr>
<td>Waterloo</td>
<td>$114,438</td>
<td>$4,160</td>
<td>3.6%</td>
</tr>
<tr>
<td>Kitchener</td>
<td>$90,901</td>
<td>$3,506</td>
<td>3.9%</td>
</tr>
<tr>
<td>Average of all Ontario Municipalities</td>
<td>$102,194</td>
<td>$3,836</td>
<td>3.8%</td>
</tr>
<tr>
<td>Median of all Ontario Municipalities</td>
<td>$95,406</td>
<td>$3,696</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

Source: BMA Management Consulting Inc. Municipal Study 2018
Affordability

How affordable is Cambridge’s Water Bill?

<table>
<thead>
<tr>
<th>CITY</th>
<th>2018 EST. AVG. HOUSEHOLD INCOME</th>
<th>2018 AVERAGE RESIDENTIAL WATER BILL (200m³)</th>
<th>2018 WATER BILL AS % OF HOUSEHOLD INCOME</th>
</tr>
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<tr>
<td>Cambridge</td>
<td>$97,643</td>
<td>$1,086</td>
<td>1.1%</td>
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<td>Waterloo</td>
<td>$114,438</td>
<td>$870</td>
<td>0.8%</td>
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<td>$1,025</td>
<td>1.1%</td>
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Source: BMA Management Consulting Inc. Municipal Study 2018
How Does Cambridge’s 2019 Budget Compare?

**Average Household Impact Comparison**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019 Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cambridge</strong></td>
<td>$82</td>
<td>$96</td>
<td>$100</td>
<td>$98</td>
<td>$98</td>
</tr>
<tr>
<td><strong>Kitchener</strong></td>
<td>$102</td>
<td>$104</td>
<td>$106</td>
<td>$90</td>
<td>$103</td>
</tr>
<tr>
<td><strong>Waterloo</strong></td>
<td>$65</td>
<td>$71</td>
<td>$81</td>
<td>$71</td>
<td>$73</td>
</tr>
</tbody>
</table>

Includes Taxes, Water and Wastewater, and Storm-water
# THE BUDGET PROCESS

<table>
<thead>
<tr>
<th>STEP 1</th>
<th>STEP 2</th>
<th>STEP 3</th>
<th>STEP 4</th>
<th>STEP 5</th>
<th>STEP 6</th>
</tr>
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<tr>
<td>Preparation</td>
<td>Internal Staff Review</td>
<td>Strategic Alignment</td>
<td>Budget Info Series</td>
<td>Budget and Audit Committee</td>
<td>City Council</td>
</tr>
</tbody>
</table>

- **Preparation**: The budget is prepared taking into consideration both year-long community feedback and direction from City Council.
- **Internal Staff Review**: The capital budget is reviewed by an internal Capital Budget Working Group of senior management representatives to prioritize projects within funding constraints for all 10 years of the capital forecast.
- **Strategic Alignment**: The budget is the reviewed by the City’s Corporate Leadership Team - the senior-most level of administration at the City. The Corporate Leadership Team ensures the budget aligns with the strategic plan and Council direction.
- **Budget Info Series** (WE ARE HERE): The Budget Info Series is the step in the process that ensures the community has the opportunity to learn more about the budget before taking it to the Budget and Audit Committee for approval.
- **Budget and Audit Committee**: After taking into consideration feedback gathered from all previous steps, the draft budget is then presented to the Budget and Audit Committee for review and alterations where necessary.
- **City Council**: When the Budget and Audit Committee is satisfied with a draft of the budget, it is then presented to Cambridge City Council for final approval.

**Completion Status**
- Preparation: COMPLETE
- Internal Staff Review: COMPLETE
- Strategic Alignment: COMPLETE
- Budget Info Series: WE ARE HERE
- Budget and Audit Committee: FEBRUARY 2019
- City Council: MARCH 2019