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# HALDIMAND COUNTY

## Memorandum FDS-M01-2020 BMA Municipal Study Results 2019 For Consideration by Council in Committee on February 4, 2020

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**To:** Mayor Hewitt and Members of Council

**From:** Mark Merritt, CPA, CA, CFO & General Manager, Financial & Data Services

For nearly two decades, BMA Management Consulting Inc. (BMA) has annually completed a municipal comparative study on behalf of approximately 110 participating Ontario municipalities. The report presents several socio-economic indicators to give an overall snapshot for each municipality in comparison to others who choose to participate. Haldimand County has participated in the study since 2016, allowing for a comparison of Haldimand's year to year results as well as to other municipalities.

The analysis is completed using the most recent information available, as provided by the participating municipalities, including, but not limited to:

- 2019 Current Value Assessment
- 2019 Tax Policies
- 2019 Tax Levy By-laws
- 2019 Development Charges
- 2019 Water/Sewer Rates
- 2018 Financial Information Returns (FIRs)
- 2019 User Fees
- Economic Development Programs

The full BMA Study is over 550 pages so only certain selected key components have been reproduced for presentation at this time. The Executive summary, included as attachment #1, outlines Haldimand, in comparison to the BMA averages, for specific selected indicators pertaining to: socio-economic factors; financial sustainability, vulnerability and flexibility indicators; assessment and levy per capita analysis; comparison of tax ratios and relative taxes; and impacts on ratepayers.

The BMA presentation includes select data from the full study and compares Haldimand County's results to nine Ontario municipalities (selected based on geographical location or population size) as well as comparisons to group and survey averages.

The key messages from the three main focus areas are as follows:

- *Socio-economic Indicators (these factors are largely external to the County's control):*
  - County is facing challenges due to low population density, assessment composition/richness and aging demographics
  - Partially offset by modest average household income and improving population growth and construction activity
- *Financial Indicators (these assess the County's financial sustainability principles):*
  - *The County has some of the most positive financial indicators of the survey group, specifically with respect to financial positions and available reserve balances*
  - *The flexibility indicators show the County's debt levels are consistent with survey averages*
- *Cost of Service and Affordability Indicators (direct comparison to municipal comparators):*
  - *The County is consistently below survey averages for all of the affordability indicators: municipal levy per capita, water/wastewater costs, property tax burden and overall costs as a percentage of average household income*

Overall, despite some challenging socio-economic factors, mainly beyond the County's control, the financial and affordability indicators place Haldimand County above our municipal comparators in most categories and, in some cases, among the top in the Province (specifically financial position per capita and property tax related reserve balances).

If any member of Council or the public wish to review the entire document, it is available through the CFO's office. Since the full report also includes very useful comparative data at a functional level, it will also be circulated to all managers for their review.

**Attachments:**

1. Summary of Haldimand County Comparative Data from BMA Consulting Inc. 2019 Municipal Study