

MEDIA RELEASE

For Immediate Release: April 3rd, 2012

Council Approves 2012 Budget

West Lincoln, Ont. - April 3rd, 2012- At its March 26th meeting, the Township of West Lincoln approved its 2012 operating and capital budgets. The Township of West Lincoln's tax levy will rise by 3.39 per cent; an overall, annual increase on the tax bill of \$1.26 per \$100,000 of residential assessment.

"This year's budget contained many competing financial pressures however we are confident we have approved a responsible and defensible budget for 2012," said Mayor Douglas Joyner.

The Township faced many challenges this year including further reductions in the Ontario Municipal Partnership Fund Grant. This operating grant has been a large source of funding to the municipality and, since 2010, has declined steadily. In 2012 the final portion of the transitional funding component was removed, representing a 1.77% deficit in the Township's tax levy. Since 2010 the Ontario Municipal Partnership funding has been decreased by \$339,400 causing a 9% shortfall in the Township's revenue.

The Ontario Municipal Employees Retirement System pension began its deficit recovery plan in 2011 calling for contribution increases for both employees and employers. For 2012, this equates to an increase of 1% on the Township tax levy. Other labour- related costs have increased, impacting the tax levy by a quarter of a percent.

For 2012, new assessment related to growth was less than 1 percent - new growth helps the Township offset tax levy requirements. In 2012 growth is expected to generate a modest \$38,000 levy offset. This new assessment shortfall must be considered in preparing the annual capital and operating budgets.

"This has been a challenging budget," said Mayor Joyner, "with increasing costs and reductions in revenue, we have managed to maintain the Township's current service levels with an annual property tax increase of about the cost of a cup of coffee."

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