



Report Presented To:	Township of Southgate Council Meeting
Meeting Date:	2025-03-19
Report Number	CAO2025-007
Title:	BMA Municipal Study 2024
Open/Closed Session:	Open Session
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Approved By:	Kayla Best Acting Treasurer
Approved By:	Jim Ellis Interim Chief Administrative Officer

Executive Summary:

The BMA Management Consulting Inc. 2024 Municipal Study report is a comprehensive report on Ontario municipalities that provides analysis of financial data and socio-economic indicators and environmental factors. This report provides a summary of key findings in the report, which reviewed the Township of Southgate and all County of Grey members.

Recommendation:

Be it resolved that Staff Report CAO2025-007 be received for information.

Background:

The BMA Municipal Study 2024 collects data from current property value assessments, taxes – levy, development charges, water & sewer rates, user fees, economic development and Financial Information Reports (FIRs). The report provides an analysis of several municipalities and provides a comparison of all County of Grey members.

It is noted that BMA 2024 Municipal Study Report has some areas where Southgate has no evaluations related to 2023 FIR’s data, once FIR’s are completed, the BMA Municipal Study 2024 will be uploaded with the Southgate data.

All data provided in this report is from the BMA 2024 study, unless otherwise noted with footnotes.

Analysis:

Table 1 – Demographic, income and area data	
Southgate population 2021 (census)	8,716
Southgate population 2024 (estimate)	9,963 (note: includes census undercount est.)
Population growth rate (2016 to 2021)	18.5% (second highest in Grey County)
Estimated 2024 average household income	\$111,315 (third highest in Grey County)

Land Area & Density	643km ² & 15 ppl/km ² (low ranking – BMA)	
2021 Age demographics (for Southgate and Provincial Average)		
Age bracket:	Southgate:	Provincial Average:
0-19	15%	27%
20-44	22%	30%
45-64	30%	25%
65+	33%	18%

Municipality:	2024 unweighted Assessment (per capita)	2024 weighted Assessment (per capita)	Unweighted ranking	Weighted ranking
Southgate	\$163,703	\$117,793	Mid	Low
Bruce/Grey Avg.	\$194,211	\$176,911		
Median	\$173,334	\$161,053		

Property Assessment is the basis upon which municipalities raise taxes. A strong assessment base is critical to a municipality’s ability to generate revenues. Assessment per capita statistics have been compared to provide an indication of the “richness” of the assessment base in each municipality. Unweighted assessment provides the actual current value assessment of properties. Weighted assessment reflects the basis upon which property taxes are levied after applying the tax ratios to the various property classes to the unweighted assessment.

Municipality:	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	Ranking
Southgate	10.9%	2.4%	2.6%	4.5%	3.9%	High
Study Average	5.9%	1.5%	1.7%	0.1%	1.9%	
Study median	5.9%	1.3%	1.5%	1.5%	1.7%	

The table reflects the change in unweighted assessment from 2019-2024. The changes in assessment trends are related to new growth as well as changes in market value of existing properties. The changes include the impact of reassessment as well as growth. A table assessing municipalities from low to high was provided in the study – Southgate ranks in the high category (the highest of Grey County municipalities).

Top 10 Municipalities with Highest Proportion of Unweighted Assessment per Type of Assessment

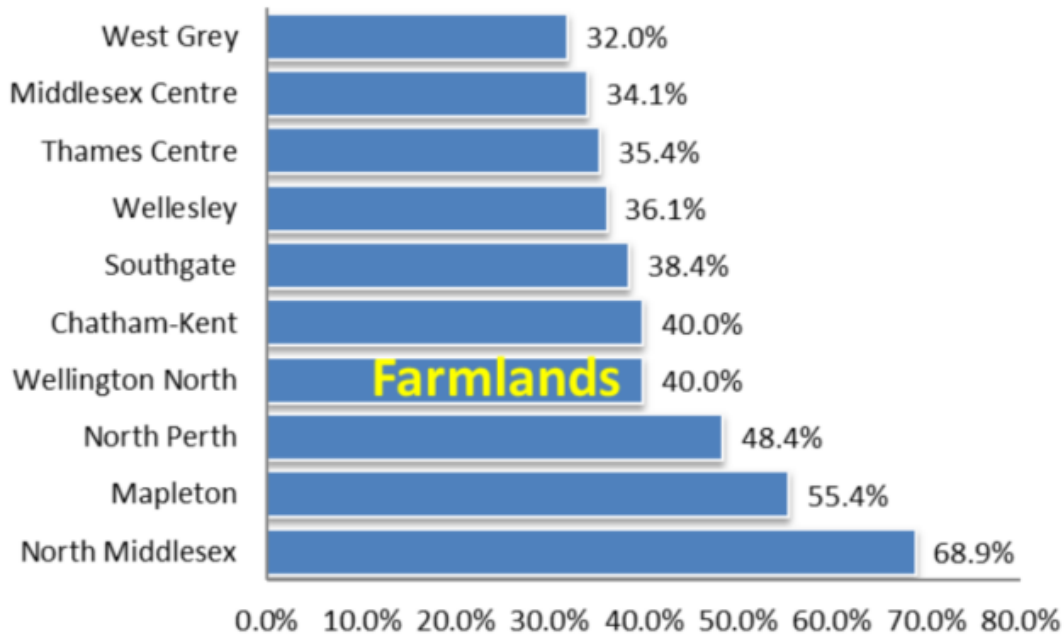


Table 4 – 2024 Unweighted Assessment Composition data

Municipality:	Residential	Multi-res	Commercial	Industrial	Pipelines	Farmlands	Forest
Southgate	56.9%	0.2%	1.4%	2.4%	0.1%	38.4%	0.6%
Average	77.0%	2.3%	9.3%	1.9%	0.9%	8.4%	0.2%
Median	78.8%	1.1%	8.3%	1.5%	0.3%	2.1%	0.1%

Table 5 – 2024 Weighted Assessment Composition data

Municipality:	Residential	Multi-res	Commercial	Industrial	Pipelines	Farmlands	Forest
Southgate	79.1%	0.3%	2.5%	6.1%	0.1%	11.6%	0.2%
Average	75.2%	3.2%	13.8%	4.1%	1.0%	2.5%	0.1%
Median	76.2%	1.7%	12.6%	3.0%	0.4%	0.5%	0.0%

Tax ratios typically shift the burden from residential to non-residential properties. Approximately 76.5% of municipalities surveyed, have a decrease in tax burden on the Residential class as a result of tax ratios for non-residential classes greater than 1.0. The implementation of tax ratios to the assessment base for municipalities with a larger proportion of farmland and managed forest results in an increase in the residential burden.

Table 6 – Building Construction Activity data

Municipality:	% Residential	% non-residential	Per capita
Southgate	65%	35%	\$5,956
Average	59%	41%	\$4,295
Median	63%	37%	\$3,808

Building Construction Activity Trend (in 000's)

Municipality:	2021	2022	2023	2024 ¹	3-year avg/per capita (2021-2023)
Southgate	\$86,779	\$129,250	\$59,344	\$48,103	\$9,720
Bruce/Grey Average	\$98,915	\$78,917	\$83,120	Data not available – Southgate data noted.	\$7,199
Bruce/Grey Median	\$82,146	\$65,082	\$54,179		\$5,627

Southgate vs. other Grey County members: 2021 – fourth; 2022 – second; 2023 – fifth; 2024 – not available.

2024 Building Permit Fees

Municipality:	Residential per \$1,000 value	Est permit for \$297,000 value dwelling (197m ²)	Commercial per \$1,000 construction value	Industrial per \$1,000 construction value
Southgate	\$7.53	\$1,258	\$12/\$1,000	\$12/\$1,000
Average		\$2,638		
Median		\$2,653		

Note: Permit fee can be calculated per \$1,000 value or per area (m²). Average and Median values not available due to differing methods of each municipality.

Table 7 – Municipal Levy data (2024)

Municipality:	Net Levy/capita	Study rank	Net levy per \$100,000 unweighted assessment	Study rank	Net levy per \$100,000 weighted assessment	Study rank
Southgate	\$1,628	Low	\$995	Mid	\$1,382	High
Average	\$1,865		\$1,254		\$1,204	
Median	\$1,839		\$1,139		\$1,166	

In order to better understand the relative tax position for a municipality, another measure that has been included in the study is a comparison of net municipal levies on a per capita basis. This measure indicates the total net municipal levy needed to provide services to the Municipality. This analysis does not indicate value for money or the effectiveness in meeting community objectives.

Changes in per capita expenditures reflect changes in expenditures relative to changes in population. Increasing per capita expenditures may indicate that the cost of providing services is outstripping the community's ability to pay, especially if spending is increasing faster than the resident's collective personal income. Examining levy per capita shows changes in levies relative to changes in population size. As population increases, it might be expected that revenues and the need for services would increase proportionally, and therefore, that the level of per capita revenues would remain at least constant in real terms. However, this is not always the case as the cost of providing services is not directly related to population. If per capita revenues are decreasing, the municipality may be unable to maintain existing service levels unless it finds new revenue sources or ways to reduce costs.

¹ Data from report [CBO2025-001 Attachment 1 \(Feb 5, 2025 agenda\)](#).

There is a strong relationship between the assessment per capita and net levy per \$100,000 of assessment in that, for the most part, municipalities with high assessment basis have a low net levy per \$100,000 of assessment.

Table 8 – Development Charges data (2024)							
<i>Total Development Charges (2024)</i>							
Muni:	Single Detached Dwellings (per unit)	Multi Dwellings (3+ bed per unit)	Multi Dwellings (1&2 bed per unit)	Apartment Units (>2 per unit)	Apartment Units (<2 per unit)	Commercial per sq. ft.	Industrial Per sq. ft.
Southgate	\$27,279	\$17,688	\$17,688	\$16,808	\$13,090	\$8.08	\$8.08
Average	\$59,116	\$46,178	\$44,843	\$37,103	\$26,828	\$28.20	\$17.42
Median	\$43,360	\$30,866	\$30,866	\$27,626	\$20,279	\$17.15	\$12.44
Study max	\$192,518 (Vaughn)	\$160,652 (Vaughn)	\$160,652 (Vaughn)	\$124,881 (Vaughn)	\$88,204 (Vaughn)	\$100.82 (Markham)	\$76.32 (Toronto)
Grey/Bruce Average	\$25,843	\$19,145	\$19,145	\$15,674	\$14,657	\$9.91	\$7.44
Grey/Bruce Median	\$24,985	\$16,985	\$16,985	\$14,731	\$13,490	\$8.56	\$3.99
Grey Max (Blue Mtns)	\$77,900	\$67,889	\$67,889	\$51,477	\$51,477	\$36.90	\$3690
<i>Southgate Township Development Charges (2024)</i>							
Southgate	\$17,490	\$10,929	\$10,929	\$11,179	\$7,461	\$6.29	\$6.29
Average	\$32,573	\$24,684	\$23,914	\$19,917	\$14,196	\$13.05	\$10.81
Median	\$28,280	\$20,294	\$19,613	\$16,319	\$12,109	\$10.67	\$8.50
Maximum	\$137,846 (Toronto)	\$113,938 (Toronto)	\$81,888 (Innisfil)	\$80,690 (Toronto)	\$52,676 (Toronto)	\$74.85 (Toronto)	\$74.85 (Toronto)
<i>Upper Tier Development Charges (2024)</i>							
Grey County	\$9,789	\$6,759	\$6,759	\$5,629	\$5,629	\$1.79	\$1.79
Average	\$38,017	\$29,942	\$29,022	\$23,184	\$15,930	\$23.61	\$10.53
Median	\$29,858	\$21,335	\$21,335	\$20,297	\$12,374	\$20.75	\$7.73
Maximum	\$89,868 (York)	\$74,749 (York)	\$74,749 (York)	\$57,995 (York)	\$37,713 (York)	\$71.20 (York)	\$28.65 (York)

Total DC's include Municipal, Upper Tier and Education charges as of December 1, 2024.

The recovery of costs by Ontario municipalities for capital infrastructure required to support new growth is governed by the Development Charges Act (1997) and supporting regulations. To determine a development charge, a municipality must first do a background study. The background study provides a detailed overview of a municipality's anticipated growth, both residential and non-residential; the services needed to meet the demands of growth; and a detailed account of the capital costs for each infrastructure project needed to support growth.

The Township is currently in the process of a DC By-law review. This review is currently at the preliminary stages – confirming projects costs and list of projects for growth. An associated public engagement process will be undertaken for Council to consider adopting the Township's updated DC By-law. This is estimated for Q3 to Q4 of 2025 and would be subject of an appeal period.

Table 9 – Property Tax data (2024)

<i>Total Property Tax Rates</i>								
Municipality	Res.	Multi-res	Comm Residual	Comm Office	Comm Parking	Comm Shopping	Industrial Residual	Ind. Large
Southgate	1.5360%	1.8411%	2.6736%	2.6736%	2.6736%	2.6736%	3.4122%	3.4122%
Blue Mountains	0.9568%	1.1341%	1.9224%	1.9224%	1.9224%	1.9224%	2.3517%	2.3517%
Chatsworth	1.3661%	1.6337%	2.4533%	2.4533%	2.4533%	2.4533%	3.1012%	3.1012%
Georgian Bluffs	1.2367%	1.4757%	2.2854%	2.2854%	2.2854%	2.2854%	2.8642%	2.8642%
Grey Highlands	1.2940%	1.5457%	2.3598%	2.3598%	2.3598%	2.3598%	2.9692%	2.9692%
Hanover	1.6029%	1.9227%	2.7603%	2.7603%	2.7603%	2.7603%	3.5347%	3.5347%
Meaford	1.4852%	1.7791%	2.6077%	2.6077%	2.6077%	2.6077%	3.3193%	3.3193%
Owen Sound	1.9102%	2.5058%	3.8943%	3.8943%	3.8943%	3.8943%	4.0974%	4.0974%
West Grey	1.3760%	2.1938%	2.8142%	2.8255%	2.7357%	2.8455%	3.4416%	3.7086%
Median	1.3489%	2.1677%	2.6611%	2.6611%	2.6025%	2.6611%	3.2610%	3.2824%
<i>Education Rates</i>								
Southgate (same for all G/B)	0.1530%	0.1530%	0.8800%	0.8800%	0.8800%	0.8800%	0.8800%	0.8800%
<i>Upper and Lower Tier Tax Rates</i>								
Southgate	1.3830%	1.6881%	1.7936%	1.7936%	1.7936%	1.7936%	2.5322%	2.5322%
Blue Mountains	0.8038%	0.9811%	1.0424%	1.0424%	1.0424%	1.0424%	1.4717%	1.4717%
Chatsworth	1.2131%	1.4807%	1.5733%	1.5733%	1.5733%	1.5733%	2.2212%	2.2212%
Georgian Bluffs	1.0837%	1.3227%	1.4054%	1.4054%	1.4054%	1.4054%	1.9842%	1.9842%
Grey Highlands	1.1410%	1.3927%	1.4798%	1.4798%	1.4798%	1.4798%	2.0892%	2.0892%
Hanover	1.4499%	1.7697%	1.8803%	1.8803%	1.8803%	1.8803%	2.6547%	2.6547%
Meaford	1.3322%	1.6261%	1.7277%	1.7277%	1.7277%	1.7277%	2.4393%	2.4393%
Owen Sound	1.7572%	2.3528%	3.0101%	3.0101%	3.0101%	3.0101%	3.2174%	3.2174%
West Grey	1.2253%	1.4955%	1.5890%	1.5890%	1.5890%	1.5890%	2.2434%	2.2434%
Average	1.2230%	2.0408%	1.9445%	1.9557%	1.8753%	1.9763%	2.5653%	2.8323%
Median	1.1959%	2.0147%	1.7811%	1.7811%	1.7225%	1.7811%	2.3839%	2.4024%
<i>Residential Comparison – Detached Bungalow</i>								
Municipality:	2024 Property Taxes:				Ranking:			
Southgate	\$3,193				Low			
Blue Mountains	\$2,755				Low			
Chatsworth	\$3,630				Mid			
Georgian Bluffs	\$1,986				Low			
Grey Highlands	\$2,571				Low			
Hanover	\$3,368				Low			
Meaford	\$2,948				Low			
Owen Sound	\$4,435				High			
West Grey	\$2,726				Low			
Category:	Study:				Grey/Bruce:			
Average	\$3,971				\$3,157			
Median	\$3,890				\$3,160			
<i>Residential Comparison – 2 storey home</i>								

Municipality:	2024 Property Taxes:	Ranking:		
Southgate	\$4,777	Low		
Blue Mountains	\$4,058	Low		
Chatsworth	\$5,038	Mid		
Georgian Bluffs	\$3,742	Low		
Grey Highlands	\$3,343	Low		
Hanover	\$5,722	High		
Meaford	\$5,332	High		
Owen Sound	\$6,547	High		
West Grey	\$4,047	Low		
Category:	Study:	Grey/Bruce:		
Average	\$5,246	\$4,876		
Median	\$5,389	\$4,957		
<i>Residential Comparison – Walk-up Apartment</i>				
Southgate	\$808	Low		
Blue Mountains	\$560	Low		
Chatsworth	\$805	Low		
Georgian Bluffs	\$713	Low		
Grey Highlands	N/A			
Hanover	\$1,167	Low		
Meaford	\$1,135	Low		
Owen Sound	\$1,584	Mid		
West Grey	\$778	Low		
Category:	Study:	Grey/Bruce:		
Average	\$1,568	\$896		
Median	\$1,568	\$805		
<i>Industrial Comparisons – Standard Industrial (per square foot)</i>				
Municipality:	2024 Municipal Taxes	2024 Education Taxes	2024 Property Taxes	Ranking
Southgate	\$0.54	\$0.19	\$0.73	Low
Blue Mountains	\$0.43	\$0.29	\$0.72	Low
Chatsworth	N/A			
Georgian Bluffs	\$1.22	\$0.54	\$1.76	Mid
Grey Highlands	\$0.42	\$0.19	\$0.60	Low
Hanover	\$0.71	\$0.23	\$0.94	Low
Meaford	\$0.32	\$0.12	\$0.44	Low
Owen Sound	\$0.83	\$0.23	\$1.06	Low
West Grey	\$0.88	\$0.35	\$1.22	Low
Study Average	\$1.22	\$0.48	\$1.69	
Study Median	\$1.18	\$0.41	\$1.67	
Average (G/B)			\$0.90	
Median (G/B)			\$0.84	
<i>Industrial Comparisons – Industrial Vacant Land (taxes per acre)</i>				
Municipality:	2024 Municipal Taxes	2024 Education Taxes	2024 Property Taxes	Ranking
Southgate	\$1,369	\$476	\$1,844	Mid
Blue Mountains	N/A			
Chatsworth	\$3,155	\$1,250	\$4,405	Mid
Georgian Bluffs	\$137	\$61	\$198	Low
Grey Highlands	\$377	\$159	\$536	Low

Hanover	\$624	\$207	\$830	Low
Meaford	\$1019	\$368	\$1,386	Low
Owen Sound	\$711	\$194	\$905	Low
West Grey	\$547	\$215	\$762	Low
Study Average	\$3,492	\$1,560	\$5,021	
Study Median	\$2,016	\$694	\$2,837	
Average (G/B)			\$1,263	
Median (G/B)			\$830	

The data shows Southgate is not the highest in terms of tax rates for residential related to residential classes or industrial compared to other Grey County municipalities. It is important to recognize that each municipality has different mixes of development types and taxation priorities. Some municipalities with greater levels of commercial/industrial development, are likely reducing residential rates by increasing rates on commercial/industrial.

As more industrial/commercial development occurs in the Township, the burden of taxation could shift from residential to other non-residential types. However, these developments will need to come on stream to enable this shift. As noted in Table 4, given the sizable amount of agriculture in the Township – this taxation shift can only occur as more industrial development comes on stream.

Table 10 – Water & Sewer Costs				
<i>2024 Water & Wastewater Rates Cost of Service</i>				
Municipality:	Residential 200 m3	Commercial 10,000 m3	Industrial 30,000 m3	Industrial 100,000 m3
Southgate	\$1,444	\$42,151	\$127,922	\$411,937
Blue Mountains	\$1,248	\$50,459	\$152,911	\$499,438
Chatsworth			N/A	
Georgian Bluffs			N/A	
Grey Highlands	\$1,947	\$30,022	\$75,641	\$212,068
Hanover	\$1,062	\$30,988	\$87,125	\$282,008
Meaford	\$2,463	\$69,829	\$206,829	\$686,329
Owen Sound	\$1,583	\$46,048	\$134,419	\$438,429
West Grey	\$1,553	\$17,629	\$41,277	\$143,213
Bruce/Grey	\$1,634	\$41,391	\$119,984	\$386,791
Average				

The BMA Study also includes municipal data for water/sewer costs based on a normal residential meter size of 5/8 -3/4” and ICI with some typically having larger size servicing, with equated consumption analysis. The following table summarizes the costs in the municipality for water and sewer on typical annual consumption against the overall survey average

Table 11 – Taxes, Water & Wastewater Costs as a Percentage of Income		
2024 Affordability Indicators	Property Taxes as a % of Household Income	Taxes + Water/Wastewater as a % Household Income
Southgate	3.8%	5.1%
Grey Highlands	3.4%	5.0%
Hanover	3.8%	5.0%
Meaford	4.3%	6.6%
Owen Sound	5.1%	7.0%

West Grey	3.5%	5.0%
Blue Mountains	2.9%	3.6%
Bruce/Grey Average	3.6%	4.9%

Table 11 details comparisons made earlier in the report of relative property tax burdens and water/wastewater costs on comparable properties. This section of the report provides a comparison of the allocation of gross income to fund municipal services on a typical household in each municipality.

The approach used to calculate taxes as a percentage of income was to compare the average income in a municipality from the 2024 Manifold Data Mining report against the tax burden on a typical home in the municipality using weighted median dwelling values and applying the 2024 residential tax rates for each municipality.

A comparison was also made with the inclusion of water and wastewater costs on a typical Residential property. This assumed an average annual residential water consumption of 200 m³.

Internal Policy and Legislated Requirements:

The comprehensive BMA Municipal Study 2024 can be accessed on the Southgate Website at the following link:

<https://www.southgate.ca/media/0x2apzsy/2024-bma-municipal-study.pdf>

Financial and Resource Implications:

None at this time – data provided gives analysis of Southgate’s position relative to other Municipalities in Ontario.

Strategic Priorities:

Priority: Operational Excellence

Goal: Goal 11: Provide Excellent Customer Service to Southgate Ratepayers and Community Members

Action Item: 11 c). Continue to Collaborate Across Township Departments to Streamline By-laws, Policies, and Programs to Ensure Services are in Line with Legislative Requirements and Industry Standards