

BACKGROUNDER - Municipal Spending

AUGUST 2018

City of Morden

From 2008 to 2015, the City of Morden grew its operating expenditures beyond the sustainable spending benchmark¹. Over the study period, the City's real operating spending increased by 23 per cent, while its population increased by 17 per cent (see Figure 1).

However, from 2014 to 2015, the City grew spending sustainably as real operating spending growth did not exceed population growth.

Unsustainable spending growth has cost the Morden community a combined \$3.4 million over the eight years studied. Spreading that cost out over a population of 8,523 residents, shows the average cost per person was \$407.

Morden ranked 1st amongst Manitoba's 10 largest cities and towns on measures of sustainable spending growth. This is an increase of one spot from the *Manitoba Municipal Spending Watch* 3rd Edition report.

One area of concern is the growth of the City's labour costs. The gap between real personnel services spending and population growth is 18 percentage points, and has not decreased since the last report (see Figure 2). In 2008, Morden was spending \$3.4 million on personnel but, in 2015 that number adjusted for inflation was \$4.7 million.

About the Report:

CFIB's *Manitoba Municipal Spending Watch* 4th Edition report evaluates the ability of Manitoba's 27 largest local governments to hold real operating spending to the level of population growth.

This summary is based on the full report: [Manitoba Municipal Spending Watch: 4th Edition](#).

Figure 1:
Real Operating Spending Growth, 2008 – 2015

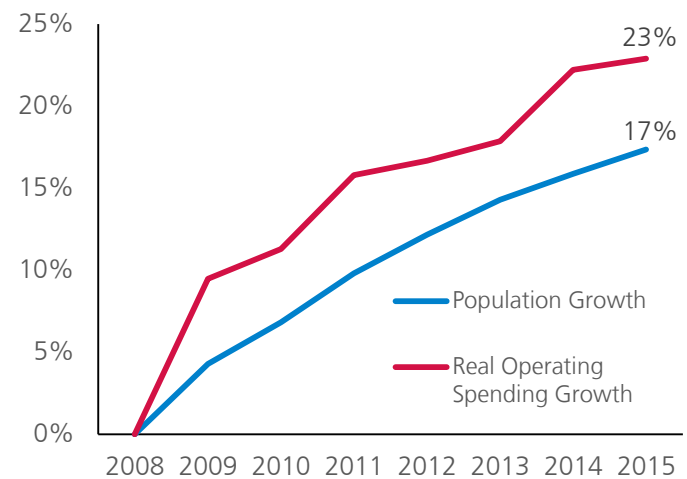
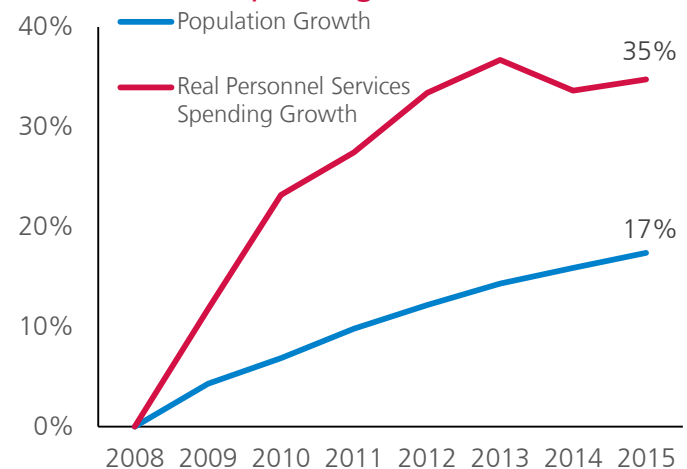


Figure 2:
Real Labour Spending Growth, 2008 - 2015



Source: City of Morden Annual Audited Consolidated Financial Statements 2008-2015, Manitoba Municipal Population Estimates 2008-2015 Statistics Canada.

¹ The **sustainability benchmark** allows for operating spending to grow at the level of inflation and population growth. Therefore direct comparisons can be made between real operating spending and population growth, as in Figures 1 and 2