



**TOWNSHIP OF EDWARDSBURGH CARDINAL
INFORMATION ITEM**

Committee: Administration and Finance
Date: February 6, 2020
Department: Treasury
Topic: 2020 Draft Budget Tax Rate Impacts

Background: At the January 27th Committee of the Whole meeting, Staff was directed to provide committee with various tax rate scenarios and the impact to residential property owners. See attached calculations.

A 1% increase in the tax levy is equal to \$57,552.00. Currently the tax revenue will need to increase by \$256,849.00 or 4.47%.

It was noted that the Counties is reducing the tax rate by 0.3% and the Province has reduced the education tax rate for residential properties from 0.00161 to 0.00153 or 4.97%.

The Township can increase the current tax rate by 1.41% and maintain the same overall tax rate as in 2019 of 1.176163. If the township tax rate was increased by 2.81% it would return the overall tax rate to the 2018 level of 1.185163.

See attached report comparing the tax revenue from 2019 growth and phase-in to 2020 projected growth and phase-in at 0% tax rate.

A handwritten signature in cursive script that reads 'Melanie Stubbs'.

Melanie Stubbs

Treasurer

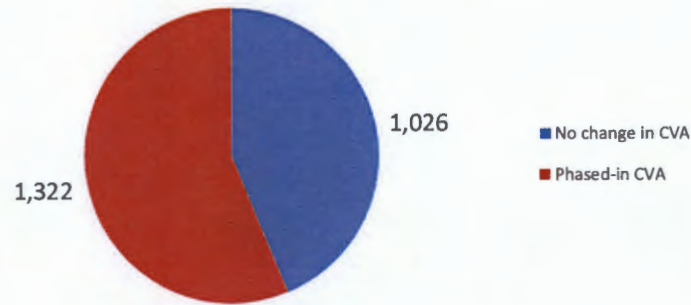
Comparison of Tax Revenue from 2019 Budget to Current 2020 Draft Budget

Year	Growth Related Tax Revenue	Phase-In Tax Revenue	Total
2019	\$504,247.00	\$134,067.00	\$638,314.00
2020	\$22,858.00	\$148,334.00	\$171,192.00
Difference	(\$481,389.00)	\$14,267.00	(\$467,122.00)

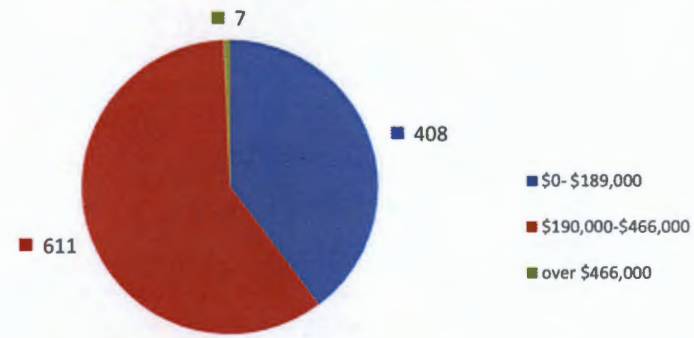
Impact of Proposed Tax Rate on Residential Properties with no Change in Assessed Value

		2019 tax rate = 0.01176163		proposed tax rate 4.47% twp & (0.3%) Cty & (4.97%) education	
Range of Assessed Values	properties with no change in CVA	average assessed value	2019 annual tax payment	2020 Proposed annual tax payment 0.01195818	change in annual tax payment
Proposed Tax Rate 2020					
\$0- \$189,000	408	145,000	1,705.44	1,733.94	28.50
\$190,000-\$466,000	611	280,000	3,293.26	3,348.29	55.03
over \$466,000	7	575,000	6,762.94	6,875.95	113.02
	<u>1,026</u>				
assessment per		100,000	1,176.16	1,195.82	19.66

Number of Residential Properties



Properties with no change in CVA



Impact of Proposed Tax Rate on Residential Properties with a Phased-in increase of CVA

proposed tax rate 4.47% twp & (0.3%) Cty & (4.97%)
education

Range of Change in Assessed Values	# of properties	2020 Phased-in Increase in Assessed Value	2020 Proposed increase in annual tax payment	2020 Phased-in Increase in Assessed Value	2020 Proposed increase in annual tax payment
Proposed Tax Rate 2020				0.01195818	
\$250.00-\$2,500.00	609	250	\$2.99 to	2,500	\$29.90
\$2,750.00-\$5,000.00	304	2,750	\$32.89 to	5,000	\$59.79
\$5,250.00-\$10,000.00	261	5,250	\$62.78 to	10,000	\$119.58
\$10,250.00-\$15,000.00	109	10,250	\$122.57 to	15,000	\$179.37
\$15,250.00-\$38,500.00	39	15,250	\$182.36 to	38,500	\$460.39
	<u>1322</u>				

