

## 2021 Pre-Budget Presentation

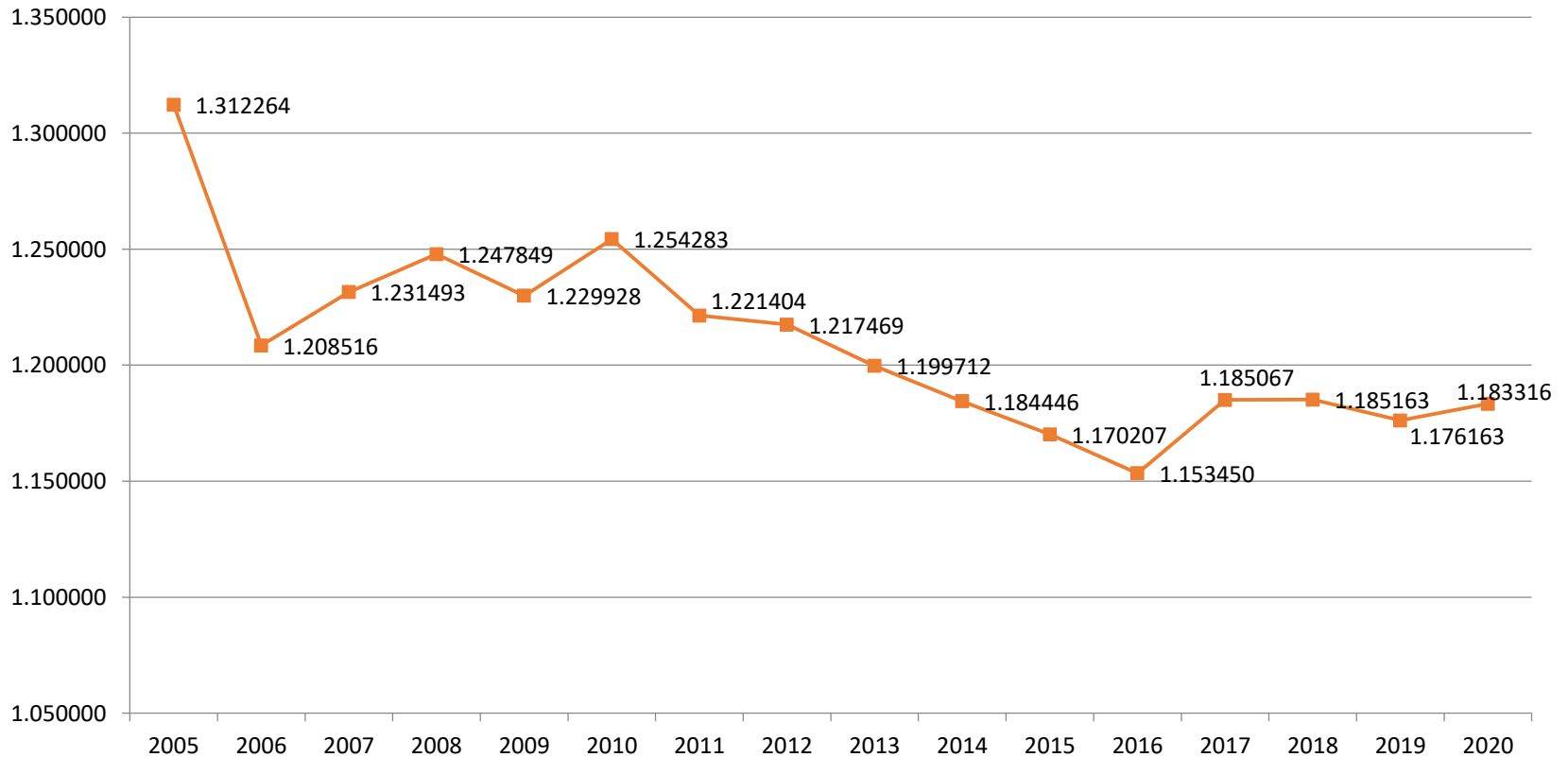
Presented on November 9, 2020

M. Stubbs, Treasurer

# Analysis of Total Residential Tax Rate 2005-2020

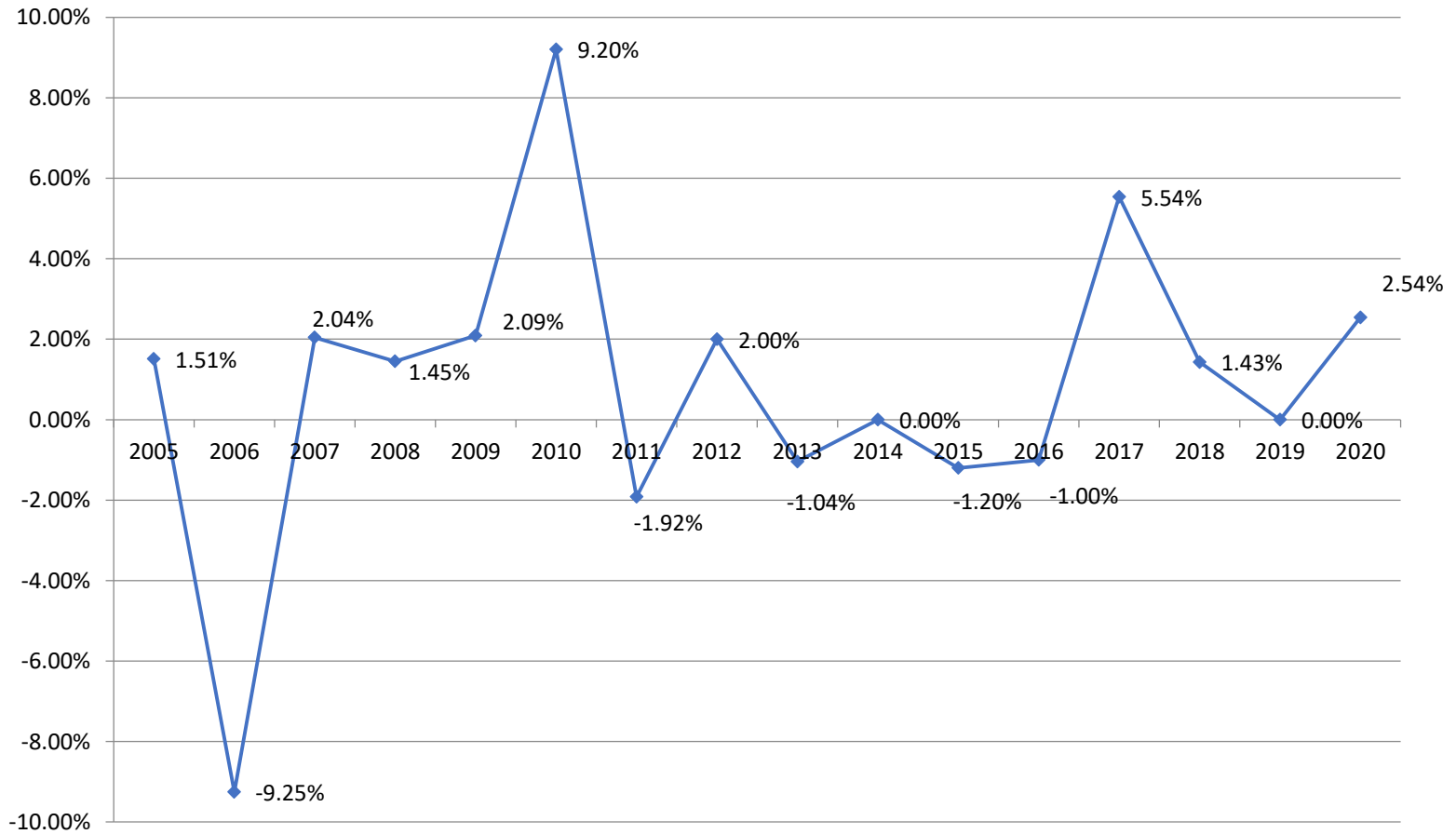
The total residential tax rate has been below 1.2 since 2013.

A 2% increase in township tax rate for 2021 could result in an estimated total tax rate of 1.188879

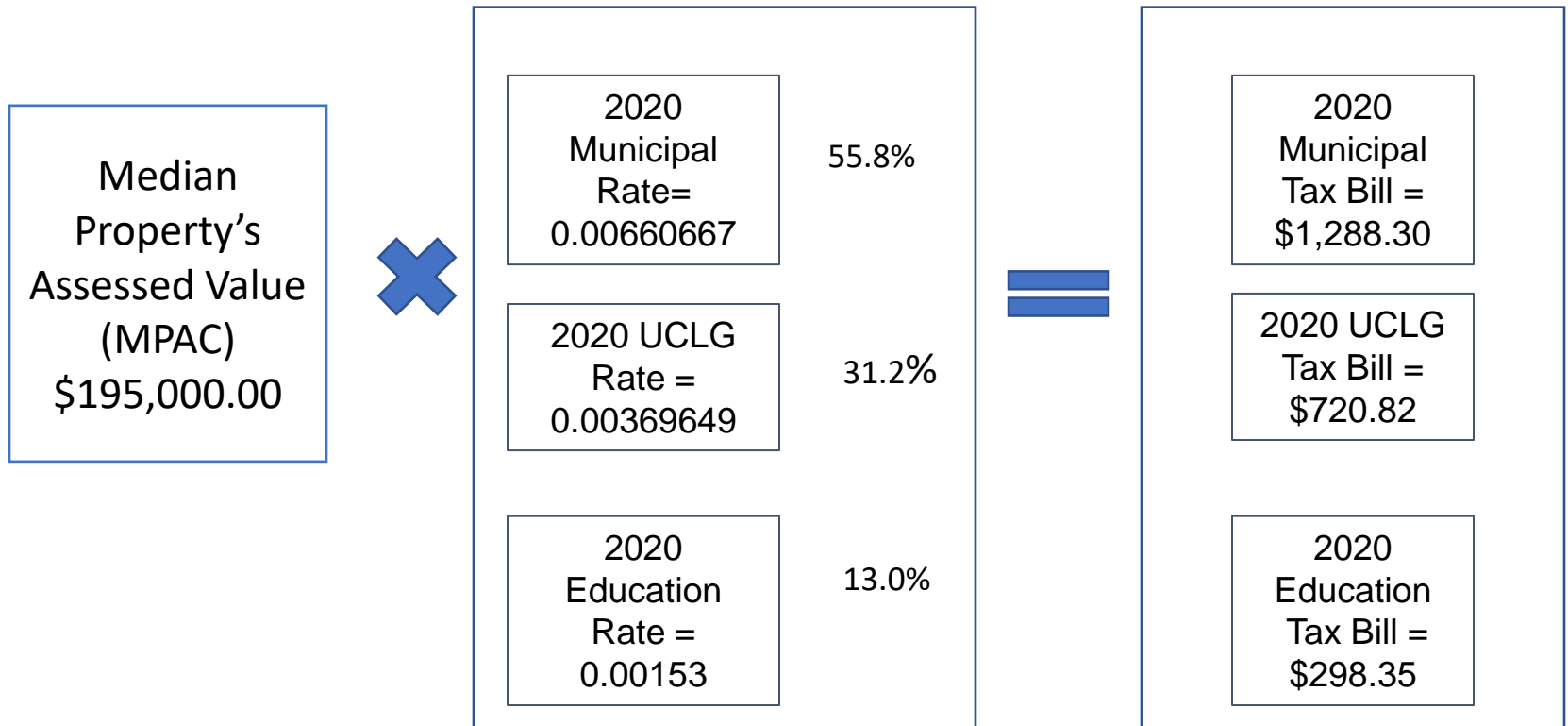




# Analysis of Change of Percentage of Township Tax rates from 2005-2020



# Example of Median Residential Annual Property Tax Bill Based on 2020 Tax Rates



# Property Tax compared to other monthly personal & household expenses

- Based on median property assessment of \$195,000.00, the annual property tax payment in 2020 was \$2,307.47 or \$192.29 per month.
- The Township portion of the tax bill was \$1,288.30 or \$107.35 per month. If you remove OPP & Conservation Authority Costs this is reduced to \$90.05 per month for services provided by the Township

Personal & Household Expenses	Average Monthly Expense
Vehicle Insurance for one vehicle	\$180.00
Hydro	\$200.00 to \$250.00
Heating fuel- oil/ propane	\$200.00 to \$300.00
Gasoline for mid-size car or van 20,000 km per year	\$180.00
Cellphone- one user with data plan	\$100.00 to \$120.00

**2020 Municipal Taxation**  
**Cost of Service Per Month for Residential Taxpayer**  
**(Municipal Taxes Only)**

Municipal Service	Monthly Cost Per Median Residential Taxpayer: Annual Taxes of \$1,288.30 = \$107.35/Month	Monthly Cost Per \$100,000 Assessment: Annual Taxes of \$660.67= \$55.06/Month
Corporate Services: Council & Administration	\$13.84	\$7.10
Fire Services	\$7.39	\$3.79
By-Law Services	\$0.62	\$0.32
Planning & Economic Development Services	\$2.18	\$1.12
Public Library Services	\$1.83	\$0.94
Parks & Recreation Services	\$13.98	\$7.17
Waste Management Services	\$2.27	\$1.16
Public Works Services	\$26.04	\$13.36
Storm Water Management	\$1.70	\$0.87
Transfer to Reserves or Capital Projects	\$20.20	\$10.36
<b>Township subtotal</b>	<b>\$90.05</b>	<b>\$46.19</b>
Police Services- OPP Contract	\$16.61	\$8.52
Conservation Authority	\$0.69	\$0..35
<b>Grand Totals</b>	<b>\$107.35</b>	<b>\$55.06</b>

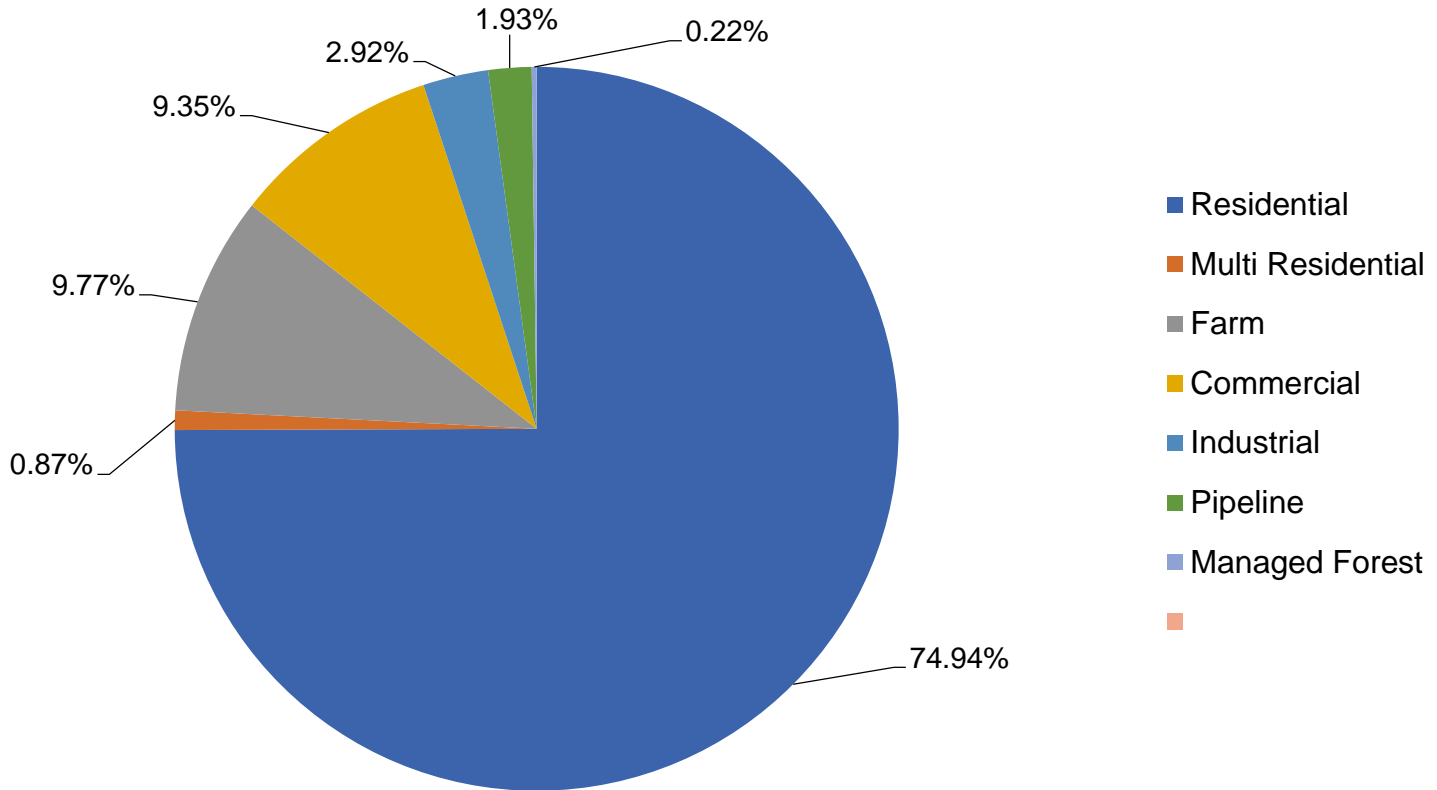
# 2021 Projected Assessment

- Only growth related assessment is reflected in the change in assessment values as MPAC has postponed the re-evaluation of properties. No Phased-in Assessment revenue for 2021.
- Many Farm properties were classed as residential on the 2020 returned roll. MPAC has corrected this which has resulted in an increase in the overall farm assessment and a smaller increase in residential assessment.
- The assessment values are based on a control total report from MPAC dated October 30, 2020 and could change slightly on the returned roll that is expected on December 15<sup>th</sup>.

Tax class	Class	2020 phased in assessment	2021 phased in assessment	increase in assessment	% increase in assessment
RT	Residential	672,341,162	673,902,675	\$1,561,513	0.23%
MT	Multi Residential	7,839,200	7,839,200	\$0	0.00%
FT	Farm	85,997,200	87,869,500	\$1,872,300	2.18%
CT/CM/CU/ CX/XT/XU	Commercial	82,938,713	84,059,900	\$1,121,187	1.35%
IT/IU/IX/JT/J U/LT	Industrial	26,256,300	26,225,500	-\$30,800	-0.12%
PT	Pipeline	17,334,000	17,336,000	\$2,000	0.01%
TT	Managed Forest	1,807,400	1,977,200	\$169,800	9.39%

# EDWARDSBURGH CARDINAL

% of total taxable assessment





# 2021 Estimated Tax Revenue

1% of Tax Levy = \$59,173.00

- Effect on Tax Revenue from change in assessment using the 2020 tax rates
- Growth Related Assessment revenue is approximately \$18,753.00

Tax class	Class	2020 roll return assessment	2021 assessment includes growth	2020 tax revenue	2021 estimated tax revenue using 2020 tax rates	increase/decrease in tax revenue
RT	Residential	672,341,162	673,902,675	\$4,441,936	\$4,452,253	\$10,316
MT	Multi Residential	7,839,200	7,839,200	\$51,791	\$51,791	\$0
FT	Farm	85,997,200	87,869,500	\$142,039	\$145,131	\$3,092
CT/CM/CU/ CX/XT/XU	Commercial	82,938,713	84,059,900	\$734,386	\$739,796	\$5,410
IT/IU/IX/JT/ JU/LT	Industrial	26,256,300	26,225,500	\$335,894	\$335,525	(\$369)
PT	Pipeline	17,334,000	17,336,000	\$189,542	\$189,564	\$22
TT	Managed Forest	1,807,400	1,977,200	\$2,985	\$3,266	\$280
			Totals	\$5,898,573	\$5,917,326	\$18,753

# EDWARDSBURGH CARDINAL

In 2020 the Township increased the residential tax rate by 2.54%, the Counties decreased their rate by 0.33% and the Province decreased the education rate by 4.97%. This resulted in the total tax rate increase of 0.61 %.

Assuming the same results for 2020 (UCLG 0% and Education -5%), if the Township increases the 2020 tax rate by 1.16 % the total residential tax rate would not change from 2020. MPAC is holding off doing the assessment review so no properties will see a change in assessment and would have no change in the annual tax payment.

Again assuming the same results from UCLG and Education, a 2% municipal tax rate increase would result in total residential tax rate increase of 1.08%. With this combination of tax rate changes , every \$100,000.00 of assessment would realize an increase of \$5.56 annually or \$0.46 monthly.

Assessed Value of Single Family Detached Homes	# of Properties	Average assessed value- No change in assessment in 2021	Increase in annual tax payment if Township increases rate by 2%	Monthly increase
Under \$189,000.00	1022	\$145,000.00	\$8.07	\$0.67
\$190,000.00 - \$466,000.00	1299	\$280,000.00	\$15.58	\$1.30
Over \$466,000.00	49	\$575,000.00	\$31.99	\$2.67

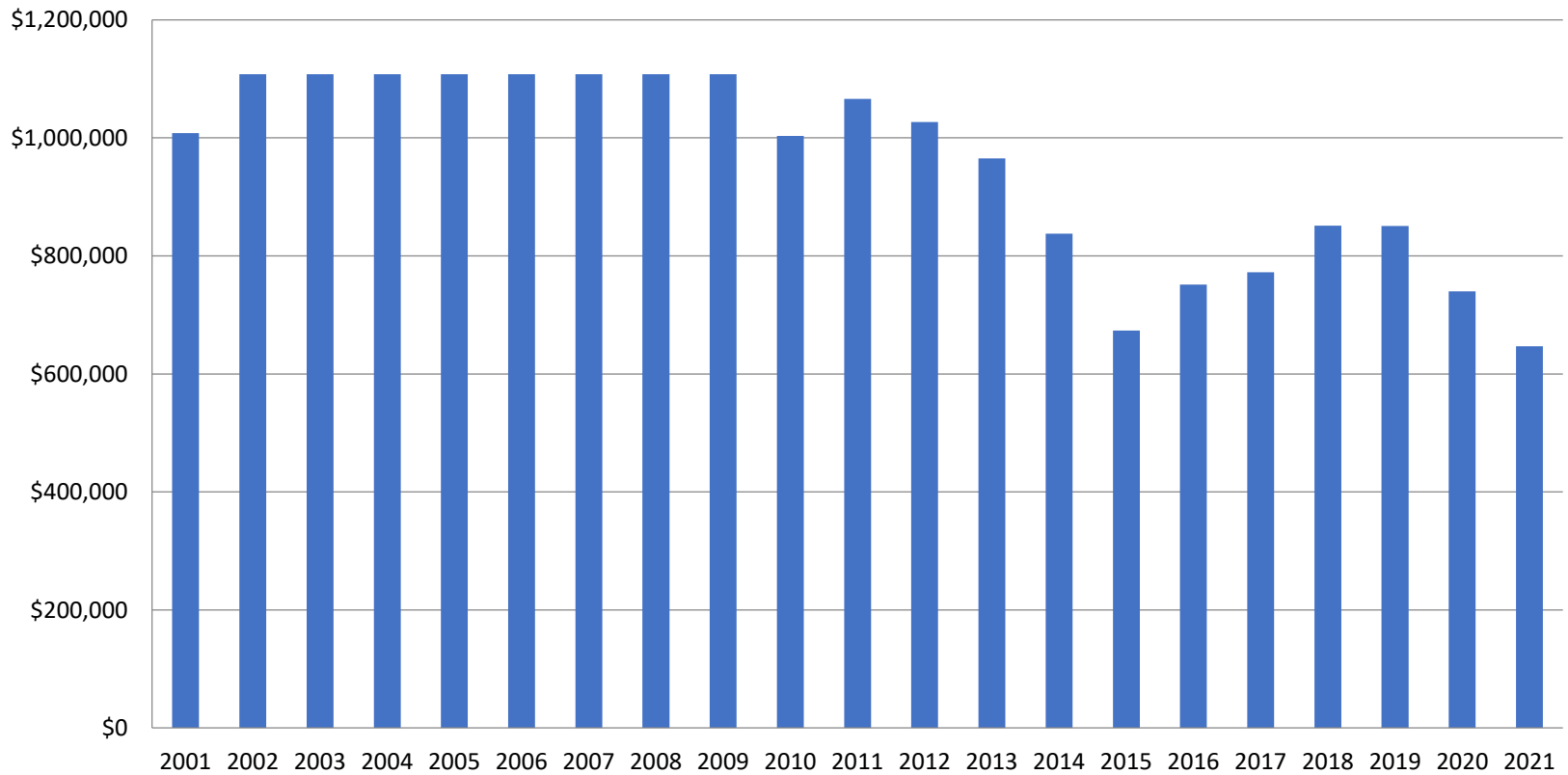
# EDWARDSBURGH CARDINAL

Edwardsburgh/Cardinal - Typical Property Value (*2016 CVA)				
Property Description	# of Properties	Property Code(s)	Average Value	Median Value
Single Family Home	2153	301	\$209,307	\$195,000
Multi-Residential	7	340 & 352	\$1,100,429	\$923,000
Water Front	281	313 & 391	\$341,470	\$331,000

A 2% tax levy will provide additional tax revenue of \$118,346.00

Property Description	Median assessed value- No change in assessment in 2021	Increase in annual tax payment if Township increases rate by 2%	Monthly increase
Single Family Home	\$195,000	\$10.85	\$0.90
Multi-Residential	\$923,000	\$51.35	\$4.28
Water Front	\$331,000	\$18.41	\$1.53

## OMPF Allocations





# Impacts on 2021 Budget

## Increases in Tax Levy

- Decrease in OMPF allocation of \$93,200 which equates to 1.6% levy increase
- CPP premium increase from 5.25% to 5.45%, approximately \$4,600 additional premium
- CPI increase to salaries, impact unknown at this time
- CUPE contract renewal, impact unknown at this time
- Minimum wage increases of 25 cents per hour effective October 1, 2020
- WSIB maximum earnings increased from \$95,400 to \$102,800 for 2021, rate stays the same @ \$2.44
- Due to a hard market the broker is indicating insurance premiums to increase between 15-40% depending on claims. (15% = \$39,000)
- Decrease in Stewardship Ontario Grant funding of \$10,675

- OPP billing costs decreased by \$9,882 due to the 2019 year-end adjustment
- Completed LED repayment of \$38,450 annually
- Federal Gas Tax Funding increased by \$9,780.67
- ICIP formula based funding of \$100,000 for COVID-19 resilience infrastructure projects

## Decreases in Tax Levy

# Capital Expenditures Analysis

- An analysis of prior year actual capital expenditures is shown below to demonstrate trends in capital spending.
- Annual amortization of tangible capital assets is \$1,699,360.00 which is calculated on historical costs

Department	2015 actual	2016 actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget
Administration	\$108,205	\$97,637	\$67,777	\$63,993	\$22,464	\$22,500
Fire Department	\$208,235	\$55,882	\$14,704	\$30,312	\$16,785	\$396,625
Public Works	\$1,267,818	\$1,221,760	\$1,763,745	\$1,305,150	\$1,674,150	\$1,148,000
Storm Sewers	\$10,000	\$204,365	\$33,840	\$353,207	\$148,772	\$113,000
Waste Disposal	\$ 0.00	\$52,685	\$10,079	\$0.00	\$0.00	\$0.00
Recreation	\$40,369	\$187,745	\$92,796	\$78,789	\$158,804	\$76,000
Library	\$0.00	\$58,797	\$ 0.00	\$0.00	\$0.00	\$0.00
Transfers to Capital Reserves	\$107,000	\$222,348	\$204,450	\$275,048	\$395,000	\$456,375
<b>Total Capital Expenditures</b>	<b>\$1,741,627</b>	<b>\$2,101,219</b>	<b>\$2,187,391</b>	<b>\$2,106,499</b>	<b>\$2,415,975</b>	<b>\$2,212,500</b>



## Capital Projects Completed in 2020

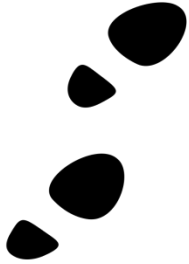
- Stone Fence at Township hall reconstructed
- Conducted some studies on Cardinal Fire Station
- Replaced Fire Rescue Truck
- Purchased Fire Department cutter equipment
- Improved drainage around Ingredion Centre
- Installed new docks in Cardinal
- Upgraded lighting in Ingredion Centre
- Purchased new Brush Head Mower
- Purchased 2 new Public Works trucks
- Reconstructed the Reilly Street Retaining Wall
- Joint Project with North Grenville to upgrade Latimer Road
- Resurfaced Blair Road South, Hudson Crescent, Ventnor Road and Safford Road

# Reserve Balances

Reserves are unrestricted and amounts set aside at the discretion of Council. They are not physically segregated. The primary source of revenue for reserves is from current operating budget, usually any surpluses at year-end can be allocated to reserves for future use.

Reserve	Purpose	Current Balance as of October 30, 2020
Administration Capital	Upgrades to Township Hall & replace equipment	\$193,624.73
Tax Write Offs	A contingency set up for potential large write offs	\$130,000.00
Election	Amount set aside for election costs- used for 2018 election	\$13,100.00
Fire Dept. Vehicles	To purchase replacement vehicles	\$264,431.95
Fire Dept. Buildings	Improvements to two Fire Stations	\$73,000.00
Fire dept. Comm. Equipment	To replace communication equipment	\$115,208.34
Policing Costs	To offset increases in OPP costs	\$110,715.00
Cemeteries	To repair & maintain township cemeteries	\$21,000.00
Building Dept.	To offset future deficits in department	(\$6,558.46)
Public Works Capital	To fund roads, bridges and equipment replacement	\$398,580.75
Winter Control Contingency	To offset increased winter control costs	\$60,000.00
Enviro. Serv.- Low Lift	To make improvements to Low Lift Station- Raw Water Supply	\$61,387.19
Enviro. Serv.- Storm Sewer	To improve storm sewer infrastructure	\$84,499.72
Landfill Closure	To pay for site closure costs	\$91,000.00
Recreation Capital	To replace equipment, vehicles and improvements to all Recreation Facilities & Parks	\$218,300.33
Working Funds	To provide daily operating funds	\$750,000.00





## Next Steps:

- Proposed budget meeting schedule:
  - 1<sup>st</sup> Meeting- : Review of draft Capital budget
  - 2<sup>nd</sup> Meeting- : Review of draft Operational budget
  - 3<sup>rd</sup> Meeting- : Continued review of departmental operational budgets with year end actuals if required
- Future meetings to be set at the end of each budget meeting so there are always two meeting dates planned ahead.