



The Corporation of the Town of LaSalle

Date:	April 20, 2017	Report No:	FIN-12-17
Directed To:	Members of Council	Attachments:	2017 Levy and Rate Summary
Department:	Finance		
Prepared By:	Dale Langlois, CPA, CA Manager of Finance & Deputy Treasurer Joe Milicia, CPA, CA Director of Finance & Treasurer	Policy References:	None
Subject:	2017 Final Tax Rates		

Recommendation:

- That Council provide direction on how to utilize the additional \$256,000 of recapture resulting from the difference between projected and actual County and Education tax rates. Options identified within this report include:
 - A. **Reduction in the Overall Tax Rate:** This will result in the overall tax rate reducing from the previously announced 0.44% increase to a 0.08% decrease.
 - B. **Maintain the Overall Tax Rate** (as previously announced): Under this option approximately \$256,000 of additional funding will be created, which could be allocated to capital reserve accounts to build up funding for future capital infrastructure projects.

Please note that the Administrative recommendation is for the funding to be dedicated to capital infrastructure purposes -- Option B

- That Council adopt the 2017 Final Tax Rates and 2017 Final Tax Bylaw, based on the direction of Council.

Report:

As Council may recall at the 2017 budget deliberation session in December 2016, Council approved the following resolution:

483/16 Bondy/Akpata

That the report of the Director of Finance & Treasurer and Manager of Finance & Deputy Treasurer dated December 11, 2016 (FIN-41-2016) regarding the 2017 Budget Deliberations and Council requested reductions BE APPROVED, that the proposed tax rate BE ESTABLISHED at 0.00% and that the corresponding bylaw BE ADOPTED during the bylaw stage of the agenda. Carried

Subsequent to the Town of LaSalle 2017 budget deliberation sessions the County of Essex has finalized their budget and the Provincial Education Tax Rates have been released, which have allowed for the calculation of any resulting recapture. The education tax rate decreased by 4.79%, which is less than the 0.00% change that was projected in the overall tax rate calculation of 0.44% in December. The County tax rate increased by 1.65%, which is slightly higher than the 1.5% projected increase in the overall tax rate calculation of 0.44% in December. The total net tax room created to maintain an overall tax rate increase of 0.44% is approximately \$256,000.

The following table outlines the rates for residential taxpayers and total municipal taxation levy raised.

	2016 Final Rates	2017 Budget Rates & Levy (Prior to Recapture)	Option A 2017 Final Tax Rates & Levy (After Recapture)	Option B: 2017 Final Tax Rates & Levy (After Recapture)
Residential Tax Rates				
Municipal Rate	0.009413	0.009413	0.009413	0.009496
County Rate	0.004619	0.004688	0.004696	0.004695
Education Rate	0.001880	0.001880	0.001790	0.001790
Total	0.015912	0.015981	0.015899	0.015981
Residential Taxes Per \$100,000 of Assessment				
Municipal Property Taxes	941.30	941.30	941.30	949.60
County Property Taxes	461.90	468.80	469.50	469.50
Education Property Taxes	188.00	188.00	179.00	179.00
Total	1,591.20	1,598.10	1,589.90	1,598.10
Municipal Tax Revenue				
from Taxable Assessment	27,086,920	29,054,045	29,054,045	29,310,268
from Payments in Lieu of Taxation	47,844	41,907	41,907	42,277
from Utility/Railway Assessment	3,367	3,349	3,349	3,349
Total	27,138,131	29,099,301	29,099,301	29,355,894
Recapture			---	256,593

At this point Administration requires direction from Council as to how to utilize/allocate the additional \$256,000 of recapture which has resulted from the difference between projected and actual County and Education tax rates. Options which have been identified by Council previously include:

- A. **Reduction in the Overall Tax Rate:** This will result in the overall tax rate reducing from the previously announced 0.44% increase to a 0.08% decrease. The effect of this change on residential taxpayers is approximately \$8.30 per \$100,000 of current value assessment.
- B. **Maintain the Overall Tax Rate** (as previously announced): Under this option approximately \$256,000 of additional funding will be created, which could be allocated to capital reserve accounts to build up funding for future capital infrastructure projects.

Administrative recommendation

It is the Administrative recommendation that the funds be allocated to capital reserve accounts – Option B. Infrastructure works have been identified as a priority in the Tangible Capital Asset Plan and general have limited funding sources.

If you have any questions, please do not hesitate to contact me,

Yours truly,

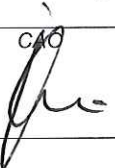



Dale Langlois, CPA, CA
Manager of Finance & Deputy Treasurer



Joe Milicia, CPA, CA
Director of Finance & Treasurer

Reviewed by:

 CAO	 Finance	Council Services	Environmental Services	Planning & Development	Culture & Recreation	Fire Services
--	--	---------------------	---------------------------	---------------------------	-------------------------	---------------