

Taxation 2022

Issues and proposals



NEED MORE INFORMATION?

You can consult several relevant documents on the Municipality's website under the tab
« **Taxation 2022** »

Taxation 2022

The Ghost of Christmas past

2011 : \$1621 (evaluation \$200 000 with 2% annual indexation)

2012 : \$1478 (\$1654) = -\$176

2013 : \$1461 (\$1687) = -\$226

2014 : \$1474 (\$1720) = -\$246

2015 : \$1540 (\$1755) = -\$215

2016 : \$1583 (\$1790) = -\$207

2017 : \$1605 (\$1826) = -\$221

2018 : \$1605 (\$1862) = -\$257

2019 : \$1629 (\$1899) = -\$270

2020 : \$1651 (\$1937) = -\$286

2021 : \$1711 (\$1976) = -\$265

Total deficit (cumulative from 2012 to 2021): \$2370



The Ghost of Christmas past

If EV = \$100 000 - total cumulative deficit of \$1397 (with IPC 2%)

If EV = \$400 000 - total cumulative deficit of \$4316 (with IPC 2%)

If EV = \$600 000 - total cumulative deficit of \$6262 (with IPC 2%)

As a result, a shortage of approximately \$2 000 000 for the Municipality due to the non-indexation of tax accounts between 2012 and 2021.

More than a full year of municipal taxes has been lost...

Ayer's Cliff

3

Ghost of Christmas present

- Little or no maintenance of infrastructure (drinking water/sewer);
- 11 sewage pumping stations to be repaired very quickly (around \$100K each);
- Very high drinking water consumption, which indicates probable leaks in the underground distribution network;
- Town Hall requires major repair work;
- \$300,000 in the bank account (\$2 000 000 annual budget);
- Reduced access to government grants.

In short, the financial vulnerability of the Village is high...

Ayer's Cliff

4

The Ghost of Christmas future

	Ayer's Cliff	Mystery Village
Global tax rate	\$0,67/\$100	\$1,37/\$100
Tax burden index (avg: 100)	62	126
LT debts per \$100 of RFU	\$0,94	\$4,45
Mun. Eval. per dwelling	\$285 000	\$357 000
Property taxes per dwelling	\$1793	\$4617

Our options

- **Do nothing** (the next residents will pay!);
- **Authorize intensive real estate development;**
- **Cut spending by 15%;**
- **Use the recalibration of property values to recapture the lost indexation.**

The Council's proposal (1 of 2)

- Closely monitor expenses;
- Use the recalibration of property values to recapture the lost indexation (increase from 10% to 30% of the tax bill per residence, approximately \$250 000 in additional income).



The Council's proposal (2 of 2)

- Devote \$200,000 to infrastructure work for the next two years (\$400,000 in total) which will give us access to a grant (TECQ) of \$1.1 million;
- Invest this \$1.5 million to repair sewage pumping stations and detect/seal water system leaks over the next two years;
- Put \$50 000 in the reserve fund for future infrastructure work in the coming years.

