

December 16, 2024 Blog

In order to press the Provincial government that Zorra and Oxford residents deserve a new financial deal from the Province for all the growth related services we provide I went to Queen's Park last month. I told MPPs and Ministers that they need to provide more mental health and addiction supports in Oxford. Municipalities only collect property tax, not sales and income tax. So, while the economy is strong, municipalities don't benefit from that and the growth costs are passed on to property tax payers in police, fire, ambulance, and housing costs.

And after all that both Zorra and Oxford passed our budgets.

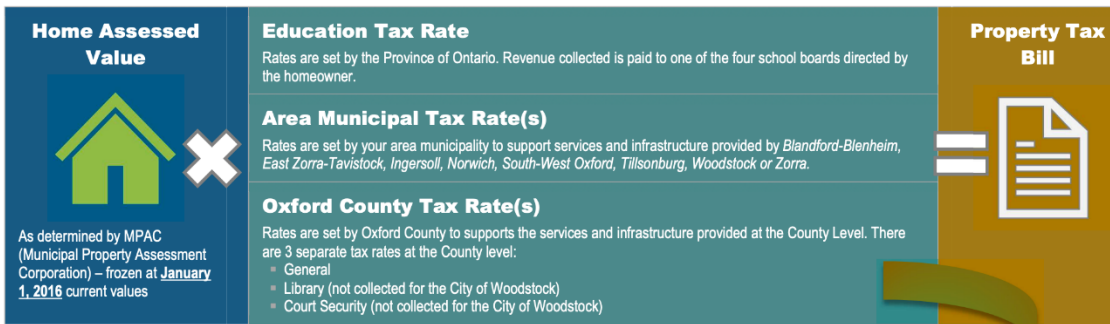


About Your Property Tax Bill

Property assessment, based on market value, plays a valuable and important role in financing municipal budgets. The assessed value of homes and other properties within a municipality make up what is known as the tax base. The tax rate is set based on the budget demands and the value of the tax base.

Property assessments for the 2025 property tax year will continue to be based on January 1, 2016 values. Following three consecutive postponements, on March 26, 2024, the Ontario government announced, in the 2024 Ontario Budget: *Building a Better Ontario* ("2024 Budget"), deferral of the province-wide reassessment of property values indefinitely. Preliminary analysis of growth related assessment and the resulting shift in the share of taxes was provided through a supplementary report CS 2024-43.

The following figure illustrates how a property tax bill is calculated:



Through approval of Oxford County operating and capital budgets, Council sets the County's priorities for the upcoming budget year by setting aside funds for each program or service. This financial plan sets out guidelines and direction for resource allocation, service delivery levels, and infrastructure maintenance and renewal. An important part of the annual budget is the continued support of the County's financial planning for the future.

Oxford County is also responsible approving water and wastewater budgets across the County. Water and wastewater rates exclusively fund water and wastewater budgets.

The Zorra 2025 approved budget results in a \$53 increase for the average residential property. A levy Increase of \$611,332 for a total of \$12,231,845, a 5.26 % increase. 2% of that was for increased police services, see above...

My Motion at Oxford County Council to eliminate development charge exemptions for industry so that you don't pay for their development passed. This reduces the property tax burden by about \$51 per property.

As a result, the Oxford 2025 approved budget results in an \$80 increase for the average residential property.

The Oxford 2025 approved Budget resulted in a general levy increase of \$7,225,205 for a total of \$89,791,661, 8.8% increase. An overall 6.6% increase to what residential

property owners paid for County services last year. 2.1% of that is to MAINTAIN service levels (like paramedics), see above...

The assessed value of homes and other properties within a municipality make up what is known as the tax base. The tax rate is set based on the budget demands and the value of the tax base. Your property tax bill is determined by four separate items: your property's assessed value, the education tax rate, the Oxford tax rate, and the Zorra tax rate.

Your property's assessed value (NOT market value) is determined by MPAC (Municipal Property Assessment Corporation). The provincial government has decided that property assessments for the 2025 property tax year will continue to be based on January 1, 2016 values.

The Education Tax Rate is set by the Province of Ontario. Revenue collected is paid to the school board of your choice.

The Oxford County Tax Rate is set by Oxford County Council to support the services and infrastructure provided at the County Level (County roads, ambulance, water and wastewater, waste collection and landfill, long term care, housing...).

The Area Municipal Tax Rate is set by Zorra Council to support the services and infrastructure provided by Zorra (local roads, fire, police, recreation...).

The resultant total tax bill (levy) is then divided between all properties based on ratios determined by their assessed value (see above) and the tax ratios set by the province and Oxford (industrial pays more than residential, farm pays less than residential, etc.). That is a complex calculation that won't be done until the new year, then we'll know the dollars per year more that each property will pay.

Lastly, now on Spotify and YouTube: The Oxford County Podcast! We're trying out a new way of sharing information with Oxford County residents, with episode 1 focused on the 2025 Budget. It went out before the budget was finalized, but I think is still informative. Watch for new episodes on a variety of topics, and let us know what topics you'd like us to discuss. Watch the podcast video on YouTube at:

<https://www.youtube.com/watch?v=X1vA0gcQajQ>

Or listen to it on Spotify:

https://open.spotify.com/show/4VbSaPTnvPlo49F0RaT6B9?si=27f8e9bd56424558&nd=1&dlsi=d96d189059e84a80&fbclid=IwZXh0bgNhZW0CMTAAAR1IKgyiXN0cQqv4x6nDPbyFGEmNW9az0kwyv94-SAj8bwjNZjDKtqtGxKM_aem_mVK0z xuSukYArJ_EA_Bt2g

As always, feel free to contact me on any issue:

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