

2023

MUNICIPAL TAX POLICY STUDY



**Tax Policy Development
STUDY**

Prepared For:
THE COUNTY OF BRUCE

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INTRODUCTION

Each year Ontario municipalities must make a host of decisions in relation to the local property tax regime. These decisions will influence how much is raised and how the burden will be shared. Municipalities are not, however, making these decisions in a vacuum. Due to the complexities of the Province's tax and assessment system, and the constantly changing landscape of the local tax base, even a choice to rely on last year's decisions will come with new implications. In reality, there is no "status-quo" in the realm of municipal property tax in Ontario. In order to make informed decisions sensitive to local priorities, objectives and goals, the municipality's options and choices need to be considered within a broader context.

This study has been prepared to provide the reader with an informed and precise picture of 2023 assessment and the tax landscape. In doing this we will document how the tax and assessment circumstances have changed since taxes were levied for 2022 and also consider the various tax policy options and choices that can be used to influence final tax outcomes for 2023.

The overall goal is to provide municipal Staff and decision makers with the core insight and analysis needed to consider 2023 property tax decisions in an informed and strategic manner. This in turn will maximize the attainment of municipal priorities and objectives.

Special Considerations for 2023

This new taxation year will be unique and potentially eventful in the realm of property taxation for a host of reasons. In addition to the fact that reassessment has been paused for another year, the municipal policy landscape is changing rapidly. Adjustments to and implications for Ontario's property tax regime could come in a variety of forms and from a variety of sources.

Municipalities are experiencing indirect impacts on and implications for the property tax, such as stresses on other revenue streams and a general increased demand (expectations) for relief and special treatment. At the same time, inflationary and budgetary pressures at a two-decade high.

In addition to all these systemic factors and changes, the fall elections brought significant changes to the composition of many municipal councils. As a result, there is a significantly high proportion of decision makers for whom the technicalities involved in setting tax policy and levying taxes will be new.

Recognizing these challenges and uncertainty, MTE has continued to adapt our annual Municipal Tax Policy Study (this report) to account for new and changing circumstances and provide a measure of clarity as to what this all means for how we interpret and explain tax and assessment matters.

Although we are not dealing with reassessment for 2023, we are in a circumstance where the values we are taxing on are further away from the actual market than has been the case since the 1990's. As such, MTE suggests it remains critical for those in both administrative and decision-making positions understand how market value updates impact the tax landscape when they do occur (and how they do not). We also feel that a clear understanding of these concepts is critical as we brace for and prepare for the inevitable implications of restarting reassessment after the longest pause in over two decades.

Understanding Reassessment, Market Updates and Real Growth

For the 2017 taxation year all properties in Ontario were reassessed based on their Current Value Assessment (CVA) as of January 1st, 2016. These updated CVA values, as adjusted under the Province's assessment phase-in program, were to form the basis of taxation through the 2020 taxation year. Those properties that experienced a CVA increase as of 2017 were taxed in accordance with a *phase-adjusted* CVA value through 2019, while all properties in the Province were subject to taxation based on their full, unmitigated CVA for 2020.

While 2021 should have been the first year of a new reassessment cycle, with all destination (Full CVA) values being updated to reflect January 1, 2019 market conditions, the Province put a pause on reassessment in the spring of 2020. This decision was made as part of a host of early measures in response to the ongoing public health crisis stemming from COVID-19. This pause was subsequently extended meaning that property taxes for 2023 will again rely on the full destination values based on the January 1, 2016 valuation date.

This will be the third year since 2008 without any market driven valuation changes at the municipal level and at 7 years, we will be taxing on market conditions that have not been so out-of-date since the 1997 tax bills were mailed.

As noted in the introduction to this study, in order to understand the implications of this year's circumstances and the continued lack of reassessment/phase-in, it is important to have a clear understanding as to how those forces impact the tax landscape when they are in place.

Growth vs. Market Value Changes

The Assessment Roll is a living data set, which is continually evolving in response to real-world market and property changes. The assessed value of a property can and does change for a number of reasons; for the purposes of the property tax system in Ontario, all valuation changes must be considered in one of only two categories; Real Growth in the Tax Base and Market Value Updates (reassessment).

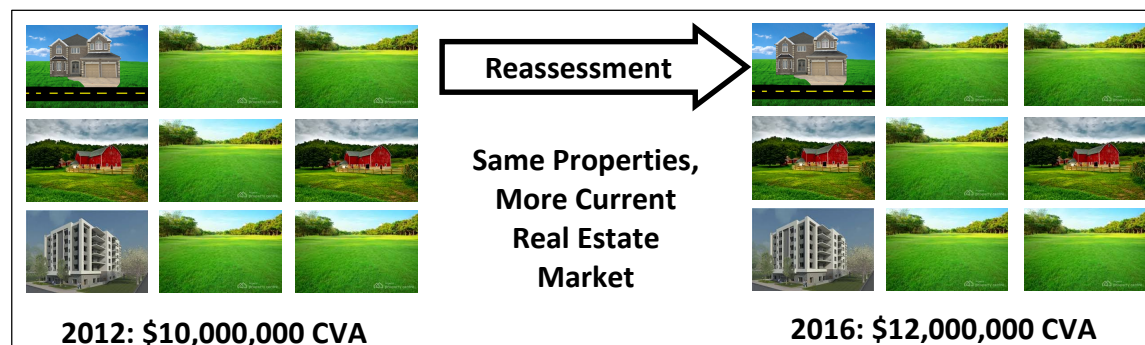
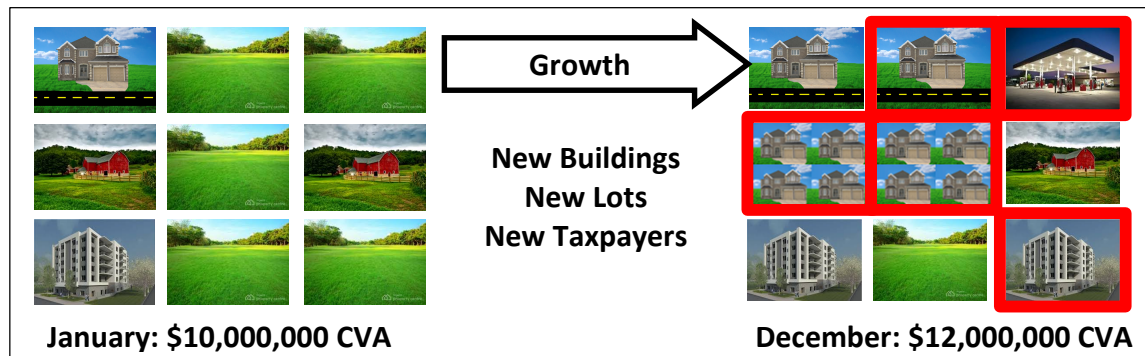
Growth (positive or negative) reflects the value increase or decrease associated with a change to a property's state, use or condition.

- Properties are developed, improved, or intensified;
- Involves actual changes in the size and intensity of the tax base;
- Positive growth means an increase in tax revenue supplied exclusively by taxpayers of new homes, businesses, buildings, etc.;
- Equate positive growth to increased income tax resulting from new or better paying jobs.

Reassessment change is simply a matter of revaluating what a property's market value would be at one point in time (2016) vs. an earlier point in time (2012) in the absence of any other changes.

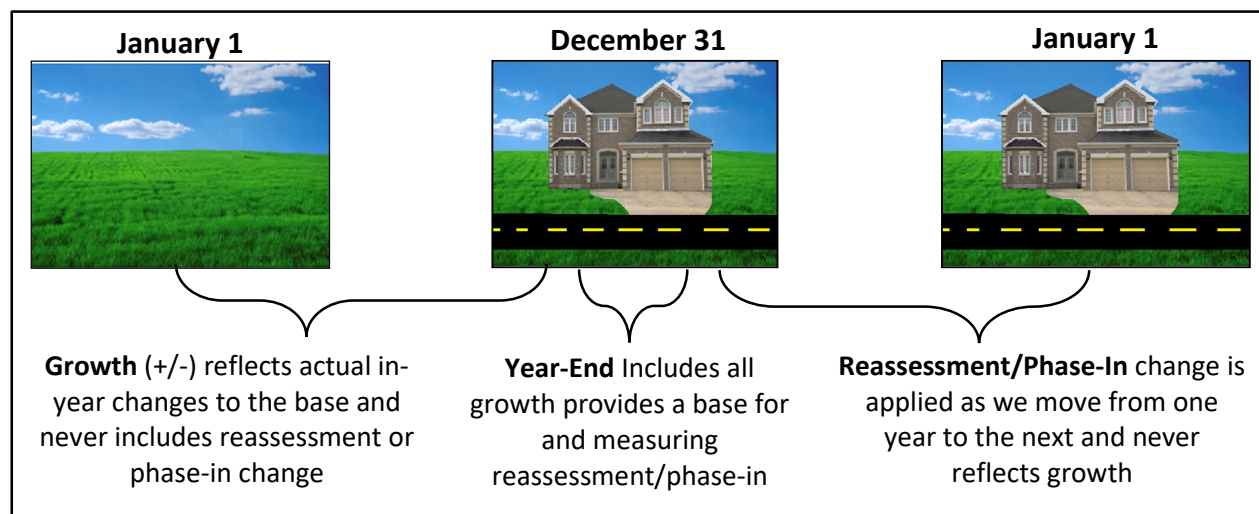
- Reassessment (and annual phase-in adjustments) do not represent or reflect new property, improved or intensified property, and are not accompanied by new taxpayers;
- If additional revenue is raised from market updates (phase-in) those amounts represent a net tax increase on existing taxpayers;
- Equate to inflation; the product or job has not changed but the price/salary has been updated to reflect current market conditions.

The following illustrations can be helpful in considering the difference between additional assessment that comes from growth and the restatement of values for existing assessable property within the context of a reassessment or the annual phase-in of those changes.



Measuring Assessment Changes

Ontario's assessment and tax system relies on and references three points in time for a host of purposes, but mainly to facilitate distinguishing between reassessment and growth-related changes. Keeping these separate and measuring change in the proper manner and order is critical.



Tax Implications of Assessment Change: What Is and Is Not Impacted by the Pause in Reassessment?

While assessment growth and loss will have actual material impacts on the municipal revenue stream, reassessment changes do not. Given the fact that the former reflects an actual expansion or contraction of the tax base, a municipality will realize increased revenue from new assessment.

Similarly, and consistent with the fact that the latter simply reflects newer market values, and does not capture any change to the base, reassessment has no direct implications for municipal revenue, only the share each taxpayer will carry. That is, reassessment related changes do not alter the overall pool of revenue, but as individual property assessments (and shares of the overall base) change at varying rates, the tax burden shifts among taxpayers, between property classes, and among local municipalities in two tier structures.

With this in mind, the pause in reassessment will have no direct or independent implications for municipal revenue as we move from 2022 to 2023. The big difference will be an absence of underlying year-over-year tax shifts, and this may very well prove to be a unique opportunity for some municipalities to consider their tax policy options.

When councils meet to make decisions in respect of 2023, their options (and outcomes) will not be influenced or impacted by pre-existing or complicating assessment driven shifts. The last two years have been the only other years since 2008 when this has been the case.

Municipalities will find themselves working with a “blank canvas” for the third year in a row. As such, it may be possible to effect some significant strategic changes that have been difficult to contemplate while contending with reassessment volatility.

PART ONE: ASSESSMENT AND REVENUE GROWTH ANALYSIS

2022 Assessment Growth

Although we will not experience market change between 2022 and 2023, the reassessment pause does not have any independent implications for growth related assessment and tax change. As such, a restated 2023 revenue limit and starting tax position must still be established in order to make informed decisions in respect of the new taxation year.

The municipality's overall growth component will be made up of both positive and negative growth. Positive growth will be reflective of things such as new construction, additions, improvements, etc. The drivers of negative growth may include demolitions, Minutes of Settlement, and/or decisions of the Assessment Review Board.

Table 1 provides a comparison between the CVA values contained on the roll as returned and the roll as revised for 2022. Theoretically, Table 1 summarizes the net in-year changes to property within the municipality, as reflected for assessment and taxation purposes. Table 1-B examines how this growth is distributed among the constituent lower tiers.

Table 1
2022 Assessment Growth Resulting from Changes
in the State and/or Use of Property

2022 Current Value Assessment				
Realty Tax Class	As Returned	As Revised	In-Year Growth	
Taxable + Shared PIL				
Residential	10,633,414,647	10,888,119,032	254,704,385	2.40%
Farm	3,625,640,187	3,585,618,785	-40,021,402	-1.10%
Managed Forest	39,178,500	41,174,400	1,995,900	5.09%
New Multi-Residential	17,201,000	20,047,000	2,846,000	16.55%
Multi-Residential	147,104,035	153,546,035	6,442,000	4.38%
Commercial	697,165,081	715,578,084	18,413,003	2.64%
Industrial	162,437,424	163,131,524	694,100	0.43%
Pipeline	17,756,000	17,887,000	131,000	0.74%
Sub-Total Taxable	15,339,896,874	15,585,101,860	245,204,986	1.60%
Payment in Lieu				
Residential	29,735,100	29,717,100	-18,000	-0.06%
Commercial	117,931,800	117,742,200	-189,600	-0.16%
Landfill	2,390,500	2,390,500	0	0.00%
Sub-Total PIL	150,057,400	149,849,800	-207,600	-0.14%
Total (Tax + PIL)	15,489,954,274	15,734,951,660	244,997,386	1.58%

Table 1-B
2022 Assessment Growth Resulting from Changes
in the State and/or Use of Property

Local Municipality	2022 Current Value Assessment			
	<i>As Returned</i>	<i>As Revised</i>	<i>In-Year Growth</i>	
Arran-Elderslie	1,108,818,300	1,124,175,800	15,357,500	1.39%
Brockton	1,651,813,438	1,680,491,438	28,678,000	1.74%
Huron-Kinloss	1,965,795,000	1,993,787,900	27,992,900	1.42%
Kincardine	2,667,163,509	2,694,926,909	27,763,400	1.04%
Northern Bruce Peninsula	1,789,709,218	1,811,203,318	21,494,100	1.20%
Saugeen Shores	3,013,721,809	3,096,170,809	82,449,000	2.74%
South Bruce	1,239,865,200	1,256,523,886	16,658,686	1.34%
South Bruce Peninsula	2,053,067,800	2,077,671,600	24,603,800	1.20%
County Wide	15,489,954,274	15,734,951,660	244,997,386	1.58%

Growth vs. Loss

As noted above, a municipality's net growth is the product of both positive and negative growth or gains and losses in CVA. While it is ultimately this net figure that will inform taxation and revenue models as we move into the new taxation year, considering the differential patterns and impacts of growth and loss can be a valuable exercise.

Considering loss patterns independently can assist in identifying potential areas of concern with respect to property valuations within a class, tax erosion stemming from appeals, or even economic pressures being felt within certain sectors, industries and/or geographic areas. Conversely, considering positive growth on its own can provide a better understanding of how new development, improvements and expansions are impacting the assessment base.

When these change patterns are broken out as seen in Table 2, it is possible to see trends and movement within the assessment base that may otherwise be obscured or skewed when only the net impact is being considered. For example, a trend of robust growth within a subset of a class may not be as evident if it is being offset by losses in another subset.

The results in these tables are not intended to provide a complete understanding of the assessment and economic dynamics of the municipality; however, considering growth in these ways can be an important first step to the identification of potentially important trends.

PART ONE: ASSESSMENT AND REVENUE GROWTH ANALYSIS

Table 2
2022 Assessment Growth and Loss Patterns

2022 In-Year Current Value Assessment Growth						
Realty Tax Class	Positive Growth		Negative Growth		Net Growth	
<i>Taxable + Shared PIL</i>						
Residential	342,091,950	3.22%	-87,387,565	-0.82%	254,704,385	2.40%
Farm	78,654,121	2.17%	-118,675,523	-3.27%	-40,021,402	-1.10%
Managed Forest	3,848,600	9.82%	-1,852,700	-4.73%	1,995,900	5.09%
New Multi-Residential	2,846,000	16.55%	0	0.00%	2,846,000	16.55%
Multi-Residential	6,695,000	4.55%	-253,000	-0.17%	6,442,000	4.38%
Commercial	25,804,685	3.70%	-7,391,682	-1.06%	18,413,003	2.64%
Industrial	2,280,200	1.40%	-1,586,100	-0.98%	694,100	0.43%
Pipeline	131,000	0.74%	0	0.00%	131,000	0.74%
Sub-Total Taxable	462,351,556	3.01%	-217,146,570	-1.42%	245,204,986	1.60%
<i>Payment in Lieu</i>						
Residential	0	0.00%	-18,000	-0.06%	-18,000	-0.06%
Commercial	25,000	0.02%	-214,600	-0.18%	-189,600	-0.16%
Landfill	0	0.00%	0	0.00%	0	0.00%
Sub-Total PIL	25,000	0.02%	-232,600	-0.16%	-207,600	-0.14%
Total (Tax + PIL)	462,376,556	2.99%	-217,379,170	-1.40%	244,997,386	1.58%

Historic Growth Patterns

Tables 3 and 4 have been prepared to provide the reader with a measure of context within which to consider the current year's assessment growth. Table 3 provides a comparison between the full CVA growth realized during 2021, to the current year's final growth figures.

Table 4 compares the municipality's assessment base as it was at the beginning of the current assessment cycle, Roll Return for 2017. As with Table 1, this comparison looks at full, non phase adjusted CVA at both points in time and as such, none of the difference is attributable to phase-in change because all changes are based on full January 1, 2016 market values. Rather, the difference represents the net assessment base growth that has occurred over the intervening six years.

Table 3
Year-To-Year Assessment Growth Comparison

Current Value Assessment Growth				
Realty Tax Class	2021 In-Year		2022 In-Year	
<i>Taxable + Shared PIL</i>				
Residential	209,634,380	2.01%	254,704,385	2.40%
Farm	6,407,369	0.18%	-40,021,402	-1.10%
Managed Forest	1,945,100	5.22%	1,995,900	5.09%
New Multi-Residential	4,742,000	38.06%	2,846,000	16.55%
Multi-Residential	5,442,245	3.84%	6,442,000	4.38%
Commercial	7,849,611	1.14%	18,413,003	2.64%
Industrial	-5,022,496	-3.00%	694,100	0.43%
Pipeline	685,000	4.01%	131,000	0.74%
Sub-Total Taxable	231,683,209	1.53%	245,204,986	1.60%
<i>Payment in Lieu</i>				
Residential	895,000	3.10%	-18,000	-0.06%
Commercial	2,102,700	1.82%	-189,600	-0.16%
Landfill	75,000	3.24%	0	0.00%
Sub-Total PIL	3,072,700	2.09%	-207,600	-0.14%
Total (Tax + PIL)	234,755,909	1.54%	244,997,386	1.58%

Table 4
Cumulative Assessment Growth
Roll Return 2017 to Roll Return 2023

	Current Value Assessment (January 1, 2016 Valuation Date)			
Realty Tax Class	Roll Return 2017	Roll Return 2023	Cumulative Growth	
<i>Taxable + Shared PIL</i>				
Residential	9,829,622,996	10,888,119,032	1,058,496,036	10.77%
Farm	3,589,889,400	3,585,618,785	-4,270,615	-0.12%
Managed Forest	31,416,900	41,174,400	9,757,500	31.06%
New Multi-Residential	0	20,047,000	20,047,000	100.00%
Multi-Residential	130,551,900	153,546,035	22,994,135	17.61%
Commercial	502,158,101	715,578,084	213,419,983	42.50%
Industrial	156,387,200	163,131,524	6,744,324	4.31%
Pipeline	16,056,000	17,887,000	1,831,000	11.40%
Sub-Total Taxable	14,256,082,497	15,585,101,860	1,329,019,363	9.32%
<i>Payment in Lieu</i>				
Residential	34,106,300	29,717,100	-4,389,200	-12.87%
Commercial	247,508,400	117,742,200	-129,766,200	-52.43%
Landfill	2,860,300	2,390,500	-469,800	-16.42%
Sub-Total PIL	284,475,000	149,849,800	-134,625,200	-47.32%
Total (Tax + PIL)	14,540,557,497	15,734,951,660	1,194,394,163	8.21%

Revenue Growth

On an annualized basis, the net growth-related gain or loss in taxation is the difference between the total tax amount as determined against the returned roll and the total tax as determined against the roll as revised. Not all of this value will, however, have been realized in the form of additional revenue during the year. Some changes would not have been effective for the full tax year, while others may have been made for multiple years.

The net annualized revenue growth in County general levy dollars is summarized by class in Table 5 and local area municipality in Table 5-B. Table 6 compares the municipality's current year revenue growth against the final growth figures calculated as of roll return for 2023.

Table 5
2022 Annualized Revenue Growth by Property Class

Realty Tax Class	2022 County General Levy			
	As Levied	Year-End	In-Year Growth	
<i>Taxable + Shared PIL</i>				
Residential	\$46,656,388	\$47,774,102	\$1,117,714	2.40%
Farm	\$3,977,072	\$3,933,172	-\$43,900	-1.10%
Managed Forest	\$42,978	\$45,165	\$2,187	5.09%
New Multi-Residential	\$75,472	\$87,960	\$12,488	16.55%
Multi-Residential	\$645,454	\$673,719	\$28,265	4.38%
Commercial	\$3,772,016	\$3,871,642	\$99,626	2.64%
Industrial	\$1,245,639	\$1,250,964	\$5,325	0.43%
Pipeline	\$79,185	\$79,770	\$585	0.74%
Sub-Total Taxable	\$56,494,204	\$57,716,494	\$1,222,290	2.16%
<i>Payment in Lieu</i>				
Residential	\$130,470	\$130,391	-\$79	-0.06%
Commercial	\$638,071	\$637,045	-\$1,026	-0.16%
Landfill	\$12,838	\$12,838	\$0	0.00%
Sub-Total PIL	\$781,379	\$780,274	-\$1,105	-0.14%
Total (Tax + PIL)	\$57,275,583	\$58,496,768	\$1,221,185	2.13%

Revenue Limit and Zero Per Cent Levy Change

For tax policy and tax levy purposes, the net annualized growth is a critical measure as it serves to inform the municipality's "revenue limit" for the coming year. This revenue limit represents the tax dollars that can be raised for the current year under a zero percent levy change scenario.

Table 5-B
2022 Annualized Revenue Growth by Local Area Municipality

Local Municipality	2022 Upper Tier General Levy			
	As Levied	Year-End	In-Year Growth	
Arran-Elderslie	\$3,248,307	\$3,305,406	\$57,100	1.76%
Brockton	\$5,215,528	\$5,329,798	\$114,271	2.19%
Huron-Kinloss	\$6,258,849	\$6,428,319	\$169,469	2.71%
Kincardine	\$10,230,864	\$10,459,673	\$228,810	2.24%
Northern Bruce Peninsula	\$7,637,148	\$7,719,357	\$82,209	1.08%
Saugeen Shores	\$12,951,059	\$13,320,677	\$369,618	2.85%
South Bruce	\$3,092,164	\$3,195,612	\$103,448	3.35%
South Bruce Peninsula	\$8,641,669	\$8,737,927	\$96,258	1.11%
County Wide	\$57,275,588	\$58,496,769	\$1,221,183	2.13%

Table 6
Year-To-Year Revenue Growth Comparison

Upper Tier General Levy Growth				
Realty Tax Class	2021 In-Year		2022 In-Year	
<i>Taxable + Shared PIL</i>				
Residential	\$866,310	2.01%	\$1,117,714	2.40%
Farm	\$6,620	0.18%	-\$43,900	-1.10%
Managed Forest	\$2,009	5.22%	\$2,187	5.09%
New Multi-Residential	\$19,595	38.06%	\$12,488	16.55%
Multi-Residential	\$22,489	3.84%	\$28,265	4.38%
Commercial	\$39,348	1.13%	\$99,626	2.64%
Industrial	-\$36,801	-3.09%	\$5,325	0.43%
Pipeline	\$2,877	4.01%	\$585	0.74%
Sub-Total Taxable	\$922,447	1.77%	\$1,222,290	2.16%
<i>Payment in Lieu</i>				
Residential	\$3,699	3.10%	-\$79	-0.06%
Commercial	\$10,713	1.82%	-\$1,026	-0.16%
Landfill	\$380	3.24%	\$0	0.00%
Sub-Total PIL	\$14,792	2.06%	-\$1,105	-0.14%
Total (Tax + PIL)	\$937,239	1.77%	\$1,221,185	2.13%

Local Revenue Growth

For the purposes of quantifying local revenue growth, MTE has included all local levies that apply across an entire local area municipality. Upper Tier growth in local levy dollars is summarized on a class-by-class basis in Table 7 and by local area municipality in Table 7-B. Table 8 compares the Upper Tier and local levy growth by municipality.

Table 7
2022 Local Revenue Growth by Property Class
All Local Area Municipalities / All Municipal-Wide Levies

2022 Local Area Levies				
Realty Tax Class	As Levied	Year-End	In-Year Growth	
Taxable + Shared PIL				
Residential	\$70,326,195	\$72,117,614	\$1,791,419	2.55%
Farm	\$6,892,858	\$6,814,438	-\$78,420	-1.14%
Managed Forest	\$64,548	\$68,091	\$3,543	5.49%
New Multi-Residential	\$110,070	\$130,820	\$20,750	18.85%
Multi-Residential	\$1,068,011	\$1,113,595	\$45,584	4.27%
Commercial	\$6,151,111	\$6,305,738	\$154,627	2.51%
Industrial	\$2,151,547	\$2,158,764	\$7,217	0.34%
Pipeline	\$131,030	\$131,982	\$953	0.73%
Sub-Total Taxable	\$86,895,370	\$88,841,042	\$1,945,673	2.24%
Payment in Lieu				
Residential	\$153,296	\$153,217	-\$79	-0.05%
Commercial	\$801,768	\$800,240	-\$1,528	-0.19%
Landfill	\$20,102	\$20,102	\$0	0.00%
Sub-Total PIL	\$975,166	\$973,559	-\$1,607	-0.16%
Total (Tax + PIL)	\$87,870,536	\$89,814,601	\$1,944,066	2.21%

Table 7-B
2022 Local Revenue Growth by Area Municipality
All Municipal-Wide Levies

Local Municipality	2022 Local Area Levies			
	<i>As Levied</i>	<i>Year-End</i>	<i>In-Year Growth</i>	
Arran-Elderslie	\$5,855,475	\$5,958,404	\$102,930	1.76%
Brockton	\$10,583,468	\$10,815,347	\$231,881	2.19%
Huron-Kinloss	\$9,422,917	\$9,678,058	\$255,143	2.71%
Kincardine	\$18,001,140	\$18,403,728	\$402,589	2.24%
Northern Bruce Peninsula	\$7,636,400	\$7,718,603	\$82,201	1.08%
Saugeen Shores	\$19,349,215	\$19,901,433	\$552,218	2.85%
South Bruce	\$5,713,422	\$5,904,563	\$191,141	3.35%
South Bruce Peninsula	\$11,308,501	\$11,434,464	\$125,963	1.11%
County Wide	\$87,870,538	\$89,814,600	\$1,944,066	2.21%

Table 8
2022 Upper-Tier and Local Revenue Growth by Area Municipality
All Municipal-Wide Levies

Local Municipality	2022 In-Year Municipal Levy Growth			
	<i>Upper Tier Levy</i>		<i>Local Municipal Levies</i>	
Arran-Elderslie	\$57,100	1.76%	\$102,930	1.76%
Brockton	\$114,271	2.19%	\$231,881	2.19%
Huron-Kinloss	\$169,469	2.71%	\$255,143	2.71%
Kincardine	\$228,810	2.24%	\$402,589	2.24%
Northern Bruce Peninsula	\$82,209	1.08%	\$82,201	1.08%
Saugeen Shores	\$369,618	2.85%	\$552,218	2.85%
South Bruce	\$103,448	3.35%	\$191,141	3.35%
South Bruce Peninsula	\$96,258	1.11%	\$125,963	1.11%
County Wide	\$1,221,183	2.13%	\$1,944,066	2.21%

General vs. Special Levies

While some jurisdictions do define or label portions of their municipal-wide levy separately by purpose, it is the cumulative amount raised by all such rates that represent the municipality's general levy. Put simply, whatever amount of property tax levy is raised from the entire assessment base, is by statute the municipality's general levy. Special Levies can only be used to raise an amount from a limited geographic (not class) sub-set of the municipality's assessment base. Further, such a levy may only be used to fund a special or enhanced service provided exclusively to that select sub-set of the municipality.¹

MTE strongly recommends that municipal finance staff and decision makers undertake thorough due diligence in respect of compliance before implementing any special tax rate. Although general levy splitting appears to be somewhat of a growing trend, it should not be taken as an indication that such levies are allowable under the *Municipal Act*. In fact, we would caution that it is at the point when non-compliant practices begin to proliferate that they draw attention, and the risk of intervention increases.

¹ Reference Sections 289 (Upper Tier), 290 (local) and 326 of the *Municipal Act, 2001*. Although some wording in Sections 311 and 312 may seem ambiguous, both contain explicit statements that they do not convey any authority to levy a special levy. Section 311 and 312 only set out the mechanics for valid special levies.

PART TWO: 2023 BASE-LINE TAX LANDSCAPE

Establishing 2023 Starting Taxes with Precision and Accuracy

In order to measure the true tax impact associated with changes in market value (reassessment), tax policy adjustments and/or levy dollar change we must calculate and reference revenue neutral tax rates. Although these will not generally be required to measure the impact of reassessment change for 2023, they must still be calculated and re-calculated as necessary depending on the final tax policy approach to be taken.

Notional vs. Revenue Neutral Tax Rates

There is no statutory distinction between *Notional* and *Revenue Neutral* tax rates. In fact, Notional rates are by definition revenue neutral rates, it is the fact that we may need multiple sets of revenue neutral rates to measure different forces that makes the distinction useful in the realm of property tax.

Put simply, **Notional Tax Rates** are a set of tax rates that will raise the municipality's revenue limit (prior year levy + growth) from the current year's assessment roll with no change in tax policy, class structure or any other variable. These rates allow us to measure the precise and isolated impact of market value change within a municipality's tax base. The tax levy structure calculated using these rates will represent a municipality's starting position for any year. Changes in tax policy or levy amounts in the absence of any policy change can be accurately measured against the municipality's notional levy position.

Any alternate set of **Revenue Neutral Tax Rates** will allow us to accurately measure the implications of any tax policy changes that may be contemplated. Should any change be made to a municipality's tax policy scheme, the levy change for that year would be measured between the taxes raised by these restated revenue neutral rates and the final tax rates for the year.

Notional Levy and Distribution of Tax

By way of confirming the municipality's starting position for 2023, Table 9 sets out the municipality's 2023 Start Ratios and its Notional General Levy Tax Rates and Notional Levy. Under most circumstances a municipality's 2023 Notional Tax Rates will in fact be their 2022 Actuals. The only exception to this will be in those instances where start ratios must be restated. This should be limited to circumstances where a municipality has one or more classes subject to levy restriction.

Table 9
Starting Ratios, Notional Tax Rates and Notional Upper Tier Levy

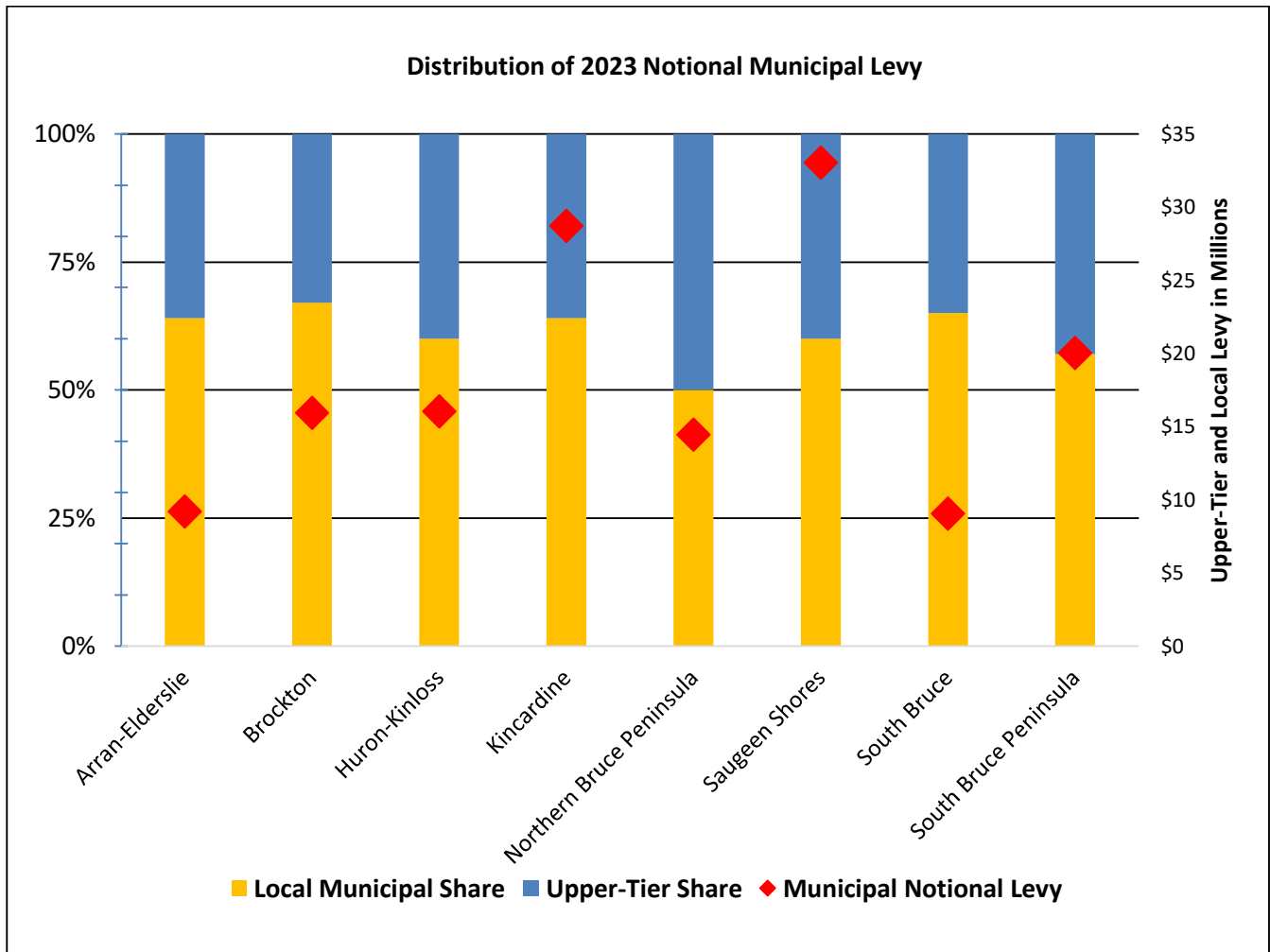
Realty Tax Class	Start Ratios	Upper Tier Notional Levy		
		Rate	Levy	Share
Taxable + Shared PIL				
Residential	1.000000	0.00438773	\$47,774,102	81.67%
Farm	0.250000	0.00109693	\$3,933,172	6.72%
Managed Forest	0.250000	0.00109693	\$45,165	0.08%
New Multi-Residential	1.000000	0.00438773	\$87,960	0.15%
Multi-Residential	1.000000	0.00438773	\$673,719	1.15%
Commercial	1.233100	0.00541051	\$3,871,642	6.62%
Industrial	1.747700	0.00766844	\$1,250,964	2.14%
Pipeline	1.016400	0.00445969	\$79,770	0.14%
Sub-Total Taxable			\$57,716,494	98.67%
Payment in Lieu				
Residential	1.000000	0.00438773	\$130,391	0.22%
Commercial	1.233100	0.00541051	\$637,045	1.09%
Landfill	1.223945	0.00537034	\$12,838	0.02%
Sub-Total PIL			\$780,274	1.33%
Total (Tax + PIL)			\$58,496,768	100.00%

Table 10 provides a summary of both Upper Tier and local notional levies for 2023 by realty tax class. Figure 1 summarizes the starting notional municipal levy in each local area municipality and documents the Upper Tier and local proportional shares.

Table 10
Upper Tier Levy, Local and Total Municipal Notional Levy

Realty Tax Class	Upper Tier Notional		Local Notional (All)		Municipal Notional (UT + LT)	
	Levy	% of Class	Levy	% of Class	Levy	% of Levy
<i>Taxable + Shared PIL</i>						
Residential	\$47,774,102	39.85%	\$72,117,614	60.15%	\$119,891,716	80.84%
Farm	\$3,933,172	36.60%	\$6,814,438	63.40%	\$10,747,610	7.25%
Managed Forest	\$45,165	39.88%	\$68,091	60.12%	\$113,256	0.08%
New Multi-Residential	\$87,960	40.20%	\$130,820	59.80%	\$218,780	0.15%
Multi-Residential	\$673,719	37.69%	\$1,113,595	62.31%	\$1,787,314	1.21%
Commercial	\$3,871,642	38.04%	\$6,305,738	61.96%	\$10,177,380	6.86%
Industrial	\$1,250,964	36.69%	\$2,158,764	63.31%	\$3,409,728	2.30%
Pipeline	\$79,770	37.67%	\$131,982	62.33%	\$211,752	0.14%
Sub-Total Taxable	\$57,716,494	39.38%	\$88,841,042	60.62%	\$146,557,536	98.82%
<i>Payment in Lieu</i>						
Residential	\$130,391	45.98%	\$153,217	54.02%	\$283,608	0.19%
Commercial	\$637,045	44.32%	\$800,240	55.68%	\$1,437,285	0.97%
Landfill	\$12,838	38.97%	\$20,102	61.03%	\$32,940	0.02%
Sub-Total PIL	\$780,274	44.49%	\$973,559	55.51%	\$1,753,833	1.18%
Total (Tax + PIL)	\$58,496,768	39.44%	\$89,814,601	60.56%	\$148,311,369	100.00%

Figure 1
Distribution of Total Municipal Notional Levy
Upper Tier + Local Area Municipal Levies



Interpretation Notes:

- Yellow bar portions represent the local share (%) of general municipal levy tax dollars;
- Blue portions represent the County share of general municipal levy dollars within each municipality; and
- The Red Diamonds indicate the total municipal general levy dollars (Upper Tier + Local) based on the notional tax levies documented in this study.

Business, Non-Business and Public Sector Revenue

Although some groups or categories of taxpayers are not specifically defined by the *Municipal* or *Assessment Acts*, it is possible to make distinctions between various types of taxpayers to support informative, interesting, and useful analysis.

For many, the distinction between revenue that comes from non-business, business and public sector property owners is of significant interest. Figures 2 and 3 have been prepared to show how the relative burden of assessment and CVA tax is shared amongst various groups. For the purposes of this report, these categories incorporate the following assessment elements:

Residential	Taxable Residential
Farm and Forest	Taxable Farm and Managed Forest
Multi-Residential	Taxable Multi-Residential
Business	Taxable Commercial, Industrial, and Pipeline Classes
PIL	Properties from any class, which are subject to a Payment in Lieu, or Payment on Account of taxes

Figure 2:
2023 Full CVA

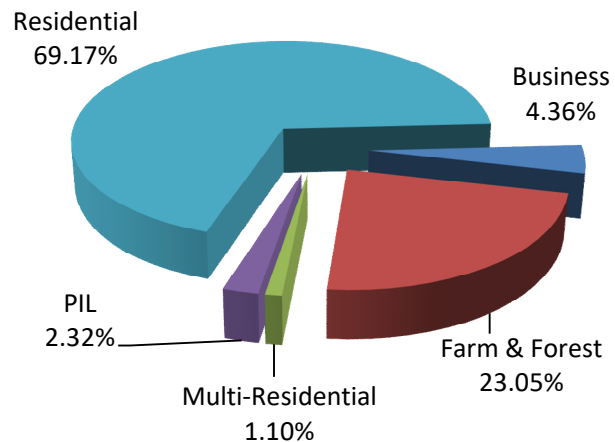
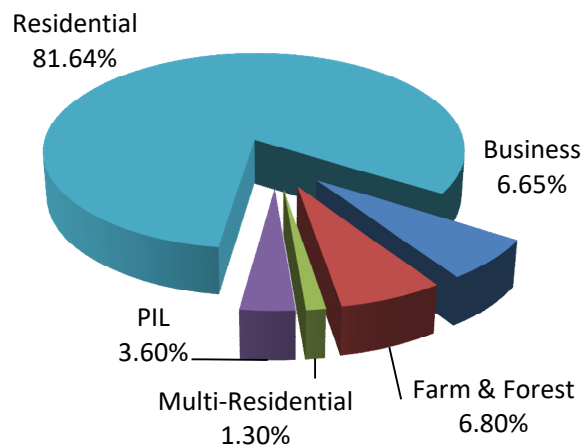


Figure 3:
2023 General Levy



Typical Properties

It is also important to consider taxes at the property level. While the taxes carried by each ratepayer can vary widely within a class, or sub-set of properties, considering the taxes for a typical or average property can be very helpful in placing the broader trends in an understandable perspective.

To this end, we have prepared Tables 11-A through H to illustrate the potential impact on various “typical” taxable properties within the jurisdiction, including:

- Single Detached Residential;
- Freehold Townhouse;
- Residential Condominium;
- Waterfront Residential;
- All Residential;
- Occupied Multi-Residential;
- Commercial Occupied (CT/XT); and
- Industrial Occupied (IT/JT).

Table 11-A
Average CVA Tax: Single Detached Residential Properties

Local Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	198,446	\$2,745	\$871	32%	\$1,570	57%	\$304	11%
Brockton	224,556	\$3,328	\$985	30%	\$1,999	60%	\$344	10%
Huron-Kinloss	256,563	\$3,214	\$1,126	35%	\$1,695	53%	\$393	12%
Kincardine	275,081	\$3,752	\$1,207	32%	\$2,124	57%	\$421	11%
Northern Bruce Pen.	198,866	\$2,049	\$873	43%	\$872	43%	\$304	14%
Saugeen Shores	329,947	\$4,116	\$1,448	35%	\$2,163	53%	\$505	12%
South Bruce	210,869	\$2,958	\$925	31%	\$1,710	58%	\$323	11%
South Bruce Pen.	229,308	\$2,674	\$1,006	38%	\$1,317	49%	\$351	13%
County Wide	258,252	\$3,334	\$1,133	34%	\$1,806	54%	\$395	12%

Table 11-B
Average CVA Tax: Townhouse/Semi-Detached

Local Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	210,200	\$2,907	\$922	32%	\$1,663	57%	\$322	11%
Brockton	216,921	\$3,215	\$952	30%	\$1,931	60%	\$332	10%
Huron-Kinloss	174,000	\$2,178	\$763	35%	\$1,149	53%	\$266	12%
Kincardine	208,142	\$2,838	\$913	32%	\$1,607	57%	\$318	11%
Saugeen Shores	252,728	\$3,153	\$1,109	35%	\$1,657	53%	\$387	12%
South Bruce	268,105	\$3,760	\$1,176	31%	\$2,174	58%	\$410	11%
South Bruce Pen.	191,200	\$2,230	\$839	38%	\$1,098	49%	\$293	13%
County Wide	228,329	\$3,032	\$1,002	33%	\$1,681	55%	\$349	12%

Table 11-C
Average CVA Tax: Residential Condominium

Local Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	66,000	\$913	\$290	32%	\$522	57%	\$101	11%
Brockton	193,638	\$2,870	\$850	30%	\$1,724	60%	\$296	10%
Kincardine	199,557	\$2,722	\$876	32%	\$1,541	57%	\$305	11%
Saugeen Shores	227,823	\$2,842	\$1,000	35%	\$1,493	53%	\$349	12%
South Bruce Pen.	201,125	\$2,345	\$882	38%	\$1,155	49%	\$308	13%
County Wide	211,921	\$2,815	\$930	33%	\$1,561	55%	\$324	12%

Table 11-D
Average CVA Tax: Waterfront Residential

Local Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	351,000	\$4,853	\$1,540	32%	\$2,776	57%	\$537	11%
Brockton	347,545	\$5,151	\$1,525	30%	\$3,094	60%	\$532	10%
Huron-Kinloss	507,799	\$6,359	\$2,228	35%	\$3,354	53%	\$777	12%
Kincardine	438,661	\$5,983	\$1,925	32%	\$3,387	57%	\$671	11%
Northern Bruce Pen.	341,384	\$3,518	\$1,498	43%	\$1,498	43%	\$522	14%
Saugeen Shores	688,208	\$8,584	\$3,020	35%	\$4,511	53%	\$1,053	12%
South Bruce	176,500	\$2,475	\$774	31%	\$1,431	58%	\$270	11%
South Bruce Pen.	334,441	\$3,899	\$1,467	38%	\$1,920	49%	\$512	13%
County Wide	395,278	\$5,103	\$1,734	34%	\$2,764	54%	\$605	12%

Table 11-E
Average CVA Tax: All Residential

Local Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	172,795	\$2,389	\$758	32%	\$1,367	57%	\$264	11%
Brockton	211,662	\$3,138	\$929	30%	\$1,885	60%	\$324	10%
Huron-Kinloss	259,395	\$3,249	\$1,138	35%	\$1,714	53%	\$397	12%
Kincardine	264,658	\$3,609	\$1,161	32%	\$2,043	57%	\$405	11%
Northern Bruce Pen.	187,274	\$1,931	\$822	43%	\$822	43%	\$287	14%
Saugeen Shores	317,178	\$3,956	\$1,392	35%	\$2,079	53%	\$485	12%
South Bruce	196,098	\$2,750	\$860	31%	\$1,590	58%	\$300	11%
South Bruce Pen.	212,383	\$2,476	\$932	38%	\$1,219	49%	\$325	13%
County Wide	235,346	\$3,038	\$1,033	34%	\$1,645	54%	\$360	12%

Table 11-F
Average CVA Tax: Occupied Multi-Residential Properties

Local Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	800,410	\$11,068	\$3,512	32%	\$6,331	57%	\$1,225	11%
Brockton	1,628,763	\$24,141	\$7,147	30%	\$14,502	60%	\$2,492	10%
Huron-Kinloss	950,000	\$11,898	\$4,168	35%	\$6,276	53%	\$1,454	12%
Kincardine	1,394,629	\$19,020	\$6,119	32%	\$10,767	57%	\$2,134	11%
Northern Bruce Pen.	1,380,240	\$14,224	\$6,056	43%	\$6,056	43%	\$2,112	14%
Saugeen Shores	1,480,076	\$18,461	\$6,494	35%	\$9,702	53%	\$2,265	12%
South Bruce	766,714	\$10,753	\$3,364	31%	\$6,216	58%	\$1,173	11%
South Bruce Pen.	937,340	\$10,929	\$4,113	38%	\$5,382	49%	\$1,434	13%
County Wide	1,273,850	\$16,444	\$5,589	34%	\$8,906	54%	\$1,949	12%

Table 11-G
Average CVA Tax: Commercial Properties (CT and XT)

Local Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	135,567	\$3,248	\$733	23%	\$1,322	41%	\$1,193	36%
Brockton	236,797	\$5,965	\$1,281	21%	\$2,600	44%	\$2,084	35%
Huron-Kinloss	170,420	\$3,810	\$922	24%	\$1,388	36%	\$1,500	40%
Kincardine	417,091	\$9,898	\$2,257	23%	\$3,971	40%	\$3,670	37%
Northern Bruce Pen.	184,607	\$3,623	\$999	28%	\$999	28%	\$1,625	44%
Saugeen Shores	469,388	\$10,465	\$2,540	24%	\$3,794	36%	\$4,131	40%
South Bruce	145,224	\$3,516	\$786	22%	\$1,452	41%	\$1,278	37%
South Bruce Pen.	215,509	\$4,588	\$1,166	25%	\$1,526	33%	\$1,896	42%
County Wide	270,723	\$6,181	\$1,465	24%	\$2,334	38%	\$2,382	38%

Table 11-H
Average CVA Tax: Industrial Properties (IT and JT)

Local Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	199,139	\$6,032	\$1,527	25%	\$2,753	46%	\$1,752	29%
Brockton	489,425	\$15,676	\$3,753	24%	\$7,616	49%	\$4,307	27%
Huron-Kinloss	127,226	\$3,565	\$976	27%	\$1,469	41%	\$1,120	32%
Kincardine	183,454	\$5,496	\$1,407	26%	\$2,475	45%	\$1,614	29%
Northern Bruce Pen.	139,440	\$3,365	\$1,069	32%	\$1,069	32%	\$1,227	36%
Saugeen Shores	148,709	\$4,153	\$1,140	27%	\$1,704	41%	\$1,309	32%
South Bruce	206,606	\$6,329	\$1,584	25%	\$2,927	46%	\$1,818	29%
South Bruce Pen.	210,850	\$5,588	\$1,617	29%	\$2,116	38%	\$1,855	33%
County Wide	191,497	\$5,493	\$1,468	27%	\$2,340	43%	\$1,685	30%

PART THREE: OTHER REVENUE AND LEVIES***Provincial Education Taxes***

While municipalities levy and collect the education portion of the property tax bill, they have no authority over the tax rates employed for this purpose. Since 1998, education tax rates have been regulated by the Minister of Finance on an annual basis. Uniform education tax rates have been prescribed for properties in residential, multi-residential, farm and managed forest property classes, which apply across the entire Province. Traditionally, annual adjustments to the uniform residential education rate have been made to maintain approximate revenue neutrality on a Province-wide basis; it will inevitably impact overall tax levels within each municipal jurisdiction, depending on how values in each area have behaved relative to Province-wide phase-in change averages.

In the absence of any reassessment or phase-in change for 2023, the uniform education rates will remain constant at 2022 levels.

Business Education Tax

The Province also prescribes business education (BET) rates; however, these are set at a unique level for each Upper and Single-Tier jurisdiction. From 1998 through 2007, the Province maintained approximate revenue neutrality at the Single and Upper-Tier municipal level when setting education tax rates for the business classes. This meant municipal specific adjustments in reassessment years and rate freezes for non-reassessment years.

In 2008, the Province began a migration towards uniform education rates for business classes through a two-fold process:

- 1) Newly built or *new to class* commercial and industrial properties were designated to special New Construction classes, which attracted uniform rates on a province-wide basis. These five special classes (commercial residual, shopping centre, office building, industrial residual and large industrial) were based on the same criteria as their traditional counterpart classes and are subject to differential treatment for education tax purposes only.
- 2) Municipal specific rates for the traditional classes were migrated slowly downwards.

The most aggressive cuts were made between 2008 and 2010, with all Northern municipalities reaching uniformity and parity with the new construction rates in 2010. For the 2011 through 2020 taxation years both the target (new construction) and maximum ceiling rates were reset annually to approximate revenue neutrality in response to annual phase-in change. During this time, many municipalities fully migrated to the low-end target rate for one or more classes, others have followed the ceiling rate down and some have had specific rates prescribed in between those.

As of 2020 many southern municipalities continued to have one or more classes with rates that exceed the uniform new construction rates.

2021 Business Education Tax (BET) Cuts

As part of its 2020 Budget, the Province reduced BET rates province-wide to a uniform level of 0.88%. This meant rate reductions for 2021 of approximately 30% for any rate that was at the previous maximum, and just over 10% for new construction rates and those set to the previous target level of 0.98%.

The implication for the overwhelming majority of business class properties is that they saw tax reductions on the Education portion of their bill of between 10% and 30%. The other implication was that there was no longer any difference between standard class education tax rates and those set for the new construction classes.

Elimination of New Construction Education Classes

As noted above, commercial and industrial new construction classes were created under the *Education Act* and only apply to the education portion of the tax bill. They are indistinct from the traditional commercial and industrial classes for assessment and municipal tax purposes.

As there is no longer any differentiation between the rates for these classes vs. the traditional classes, they serve no further purpose. In light of this, these special education classes have been eliminated as of 2023. Any properties classified into one of these classes as of year-end 2022 has been returned on the roll for 2023 taxation under the traditional classification in accordance with the table below.

Realty Tax Class	Realty Tax Class Code (RTC)	
	New Construction	Standard
Commercial Residual	X	C
Office Building	Y	D
Shopping Centre	Z	S
Industrial Residual	J	I
Large Industrial	K	L

This change will have no impact on the tax rate applied to, or the levy imposed upon any taxable property. As the rate differentials were eliminated as of 2021, this is simply an administrative change and will ultimately simplify the classification and property coding system.

2023 Education Rates and Start Levy

Table 12 documents the municipality's 2023 education rates and starting levy by class. Only subclasses subject to a unique education rate have been broken out in this table (SSOFB & FAD1). Vacant and excess land are included in their respective class categories.

Table 12
2023 Preliminary Education Rates and Start Levy

Realty Tax Class	2023 Education Rates	2023 Education Start Levy
<i>Taxable</i>		
Residential	0.00153000	\$16,658,788
<i>FAD1</i>	0.00114750	\$24
Farm	0.00038250	\$1,371,500
Managed Forest	0.00038250	\$15,750
New Multi-Residential	0.00153000	\$30,672
Multi-Residential	0.00153000	\$234,927
Commercial	0.00880000	\$5,085,649
<i>SSOFB</i>	0.00220000	\$238
Industrial	0.00880000	\$786,187
<i>SSOFB</i>	0.00220000	\$54
Pipeline	0.00880000	\$157,406
Sub-Total Taxable		\$24,341,195
<i>Payment in Lieu</i>		
Residential	0.00153000	\$8,962
Commercial	0.00880000	\$4,093
Sub-Total PIL		\$13,055
<i>Retained Payment in Lieu</i>		
Commercial	0.00980000	\$2,147,103
Industrial	0.01250000	\$922,097
Landfill	0.00980000	\$23,428
Sub-Total Retained PIL		\$3,092,628
Total (Tax + PIL)		\$27,446,878

Important Notes:

This is an unofficial listing of the education rates, the municipality should refer to Ontario Regulation 400/98 as amended or official Ministry of Finance documentation.

The Education Payment In Lieu (PIL) of Tax amounts summarized in this table have been calculated using different rates depending on whether the amount is to be shared with School Boards or retained by the local municipality. This is discussed in greater detail later in this section.

Linear Properties

Unlike the types of properties discussed in preceding elements of this report, railway and power utility lands (commonly known as linear properties) are taxed on the basis of area rather than market value. To facilitate this from an assessment perspective, linear properties are returned on the roll with an acreage area rather than a CVA. The tax liability of each property is calculated by applying Provincially-regulated rates per acre by the reported area.

The rates per acre prescribed for municipal and education purposes are set out by geographic region in *Ontario Regulations 387/98* and *392/98* respectively as only a single municipal rate is prescribed, municipalities within two-tier jurisdictions must calculate the Upper-Tier and local shares of the revenue within the context of their broader “banking” function. In its simplest form, the sharing formula relies on the proportional share each tier collects from the commercial property class.

The treatment of these properties for education purposes, and the manner in which the education portion raised is shared, varies depending on the ownership and tax status of each specific property. The education portion is remitted to the school boards unless local retention is explicitly provided for. Properties coded with an RTQ of “G” do not attract an education rate.

A summary of the current rates for each property type and levy is contained in Table 13. It is not expected that these rates will be updated for 2023. Table 14 provides a summary of the linear properties in each local municipality.

Table 13
Rate per Acre Summary

Linear Property Type	Regulated Rates Per Acre²	
	<i>Municipal</i>	<i>Education</i>
Utility Corridors	19.94	34.39
Railway Right-of-Way	110.00	74.12
Shortline Railway Right-of-Way	54.18	74.12

² It is the responsibility of each local municipality to confirm final rates against the actual regulation prior to billing.

Table 14
Linear Property Summary

Local Municipality	RTC RTQ	Category	2023 Roll Return		2023 Preliminary Levy	
			Count	Acreage	Municipal	Education
Arran-Elderslie	UH	Utility	2	27.22	\$543	\$936
Brockton	UH	Utility	5	1,015.35	\$20,246	\$34,918
Kincardine	UH	Utility	2	1,090.87	\$21,752	\$37,515
Saugeen Shores	UH	Utility	1	18.12	\$361	\$623
South Bruce	UH	Utility	1	466.93	\$9,311	\$16,058
County Wide			11	2,618.49	\$52,213	\$90,050

Retained Education Levies for Certain Payment in Lieu (PIL) Properties

Federal and Provincially owned and occupied properties are exempt from both municipal and Provincial (education) property taxes. Both levels of government do, however, maintain programs whereby payments are made to local governments in lieu of the taxes that would otherwise be applicable to property that they own and occupy.

PIL payments are made and administered under a variety of Federal and Provincial statutes and regulations, including the federal *Payment in Lieu of Taxes Act*, and Ontario's *Municipal Tax Assistance Act*, *Municipal Act, 2001*, *Assessment Act*, and various supporting regulations. This collection of statutes and regulations prescribe not only the circumstances and amounts of PILs that are made, but also the manner in which the payments are shared and distributed.

Of particular interest regarding the sharing of revenues raised against PIL properties is the fact that in certain circumstances the local municipality retains the education portion of the levy as local revenue. This is provided for under section 2 of *Ontario Regulation 392/98*, which state that in the case of payments made under a number of specific authorities, the "education" portion is ultimately retained by the local municipality. The eligible payments captured by these rules, are those made in accordance with:

- Subsection 27 (3) of the *Assessment Act*;
- The *Municipal Grants Act* (Canada), which may be referenced as the *Payment in Lieu of Taxes Act*; and
- Subsections 84(2), (3) or (5) of the *Electricity Act*.

All education amounts raised against residential, multi-residential and new multi-residential property must be remitted to the school boards.

For some local municipalities, particularly smaller single-tiers, these retained payments are simply an exercise of paying themselves in respect of municipally owned properties. For others that have significant concentrations of federally owned properties and/or are receiving prescribed payments from an Upper Tier or neighbouring municipality, these can represent significant and material components of their revenue stream.

Potential Risks Related to Retained Education Payments

The Province's decision to reduce BET rates as of 2021 came with implications for municipalities that rely on retained education amounts as part of their annual revenue stream. In response to this, and the associated municipal concerns, the Province informed municipalities on that the status quo education rates would be used for the purposes of calculating PIL amounts for properties where the local municipality was entitled to retain the education portion. In reality, certain Federally owned PILs calculated their tax burden using the same rates as those that applied to taxable properties.

Although paragraph 257.12(1)(c) of the *Education Act* provides the Minister of Finance with the regulatory authority to prescribe rates for the purposes of calculating payments in lieu of taxes, the statutory provisions under which those payments are made all rely on the tax rates applicable to taxable properties. That is, while the *Education Act* states that rates applicable for PILs can be separately identified, the Acts which actually flow the payments dictate that those rates match the rates for taxable properties.

None of these payment provisions rely on specific tax rates due to the fact that they are not subject to taxation. It is prescribed by legislation that all these amounts must be calculated using the same rates as those that apply to taxable properties. This is very deliberate and an integral element of each piece of legislation. Quite simply, these statutes are crafted specifically to prevent and preclude special rates being used for the calculation of payments. That is, not only do these statutes not contemplate a special, dedicated PIL rate, they have been worded to ensure there is protection against any such rate being used.³

Budgeting for Risks

Many municipalities have received reduced payments from some agencies for 2021 and 2022 based on the taxable rather than the inflated special rates regulated by the Province. It remains possible (if not likely) the Federal Government, its agencies, and other bodies required to make retained education payments will follow suit on a go-forward basis. As such, MTE recommends that the municipality consider budgeting for the lower retained education amounts based on taxable rates rather than the full amounts calculated using the specially regulated *Retained PIL Education Rates*.

Table 15 provides a summary of retained education payment amounts that would be raised using the special regulated rates and the lower alternate amounts calculated using preliminary 2023 taxable education rates.

³ MTE has prepared a more in-depth discussion of this matter under separate cover. That report is available to all MTE client jurisdictions upon request. Requests should be made via email to peterf@mte.ca.

Table 15
Retained Education Levy Amounts

Municipality RTC / RTQ	Retained Rates	Taxable Rates	Difference	
			\$	%
<i>Arran-Elderslie</i>				
CF	\$26,271	\$23,590	-\$2,681	-10.21%
IH	\$675	\$475	-\$200	-29.63%
IJ	\$79	\$55	-\$24	-30.38%
HF	\$1,776	\$1,595	-\$181	-10.19%
UH	\$936	\$936	\$0	0.00%
Total Arran-Elderslie	\$29,737	\$26,651	-\$3,086	-10.38%
<i>Brockton</i>				
CF	\$35,449	\$31,831	-\$3,618	-10.21%
CH	\$28,160	\$25,287	-\$2,873	-10.20%
IH	\$1,944	\$1,368	-\$576	-29.63%
IJ	\$185	\$130	-\$55	-29.73%
HF	\$3,300	\$2,963	-\$337	-10.21%
UH	\$34,918	\$34,918	\$0	0.00%
Total Brockton	\$103,956	\$96,497	-\$7,459	-7.18%
<i>Huron-Kinloss</i>				
CF	\$25,704	\$23,082	-\$2,622	-10.20%
IH	\$1,086	\$765	-\$321	-29.56%
HF	\$4,213	\$3,783	-\$430	-10.21%
Total Huron-Kinloss	\$31,003	\$27,630	-\$3,373	-10.88%
<i>Kincardine</i>				
CF	\$74,268	\$66,690	-\$7,578	-10.20%
CH	\$755,657	\$678,549	-\$77,108	-10.20%
CK	\$12,638	\$11,348	-\$1,290	-10.21%
DH	\$550,392	\$494,230	-\$56,162	-10.20%
IH	\$72,396	\$50,967	-\$21,429	-29.60%
IJ	\$21,662	\$15,250	-\$6,412	-29.60%
LH	\$350,341	\$246,640	-\$103,701	-29.60%
LI	\$136,015	\$95,754	-\$40,261	-29.60%
LK	\$23,189	\$16,325	-\$6,864	-29.60%
LN	\$109,548	\$77,121	-\$32,427	-29.60%
LS	\$199,905	\$140,733	-\$59,172	-29.60%
HF	\$3,006	\$2,699	-\$307	-10.21%
UH	\$37,515	\$37,515	\$0	0.00%
Total Kincardine	\$2,346,532	\$1,933,821	-\$412,711	-17.59%

Table 15
Retained Education Levy Amounts
Continued

RTC/RTQ	Retained Rates	Taxable Rates	Difference	
			\$	%
<i>Northern Bruce Pen.</i>				
CF	\$525,863	\$472,204	-\$53,659	-10.20%
CY	\$3,386	\$3,040	-\$346	-10.22%
IH	\$986	\$694	-\$292	-29.61%
HF	\$3,643	\$3,271	-\$372	-10.21%
Total Northern Bruce Pen	\$533,878	\$479,209	-\$54,669	-10.24%
<i>Saugeen Shores</i>				
CF	\$57,326	\$51,476	-\$5,850	-10.20%
CH	\$1,089	\$978	-\$111	-10.19%
IH	\$1,948	\$1,371	-\$577	-29.62%
HF	\$5,221	\$4,689	-\$532	-10.19%
UH	\$623	\$623	\$0	0.00%
Total Saugeen Shores	\$66,207	\$59,137	-\$7,070	-10.68%
<i>South Bruce</i>				
CF	\$20,627	\$18,522	-\$2,105	-10.21%
CH	\$105	\$94	-\$11	-10.48%
IH	\$390	\$275	-\$115	-29.49%
HF	\$1,379	\$1,238	-\$141	-10.22%
UH	\$16,058	\$16,058	\$0	0.00%
Total South Bruce	\$38,559	\$36,187	-\$2,372	-6.15%
<i>South Bruce Peninsula</i>				
CF	\$29,235	\$26,252	-\$2,983	-10.20%
GF	\$933	\$838	-\$95	-10.18%
IH	\$1,748	\$1,230	-\$518	-29.63%
HF	\$890	\$799	-\$91	-10.22%
Total South Bruce Pen.	\$32,806	\$29,119	-\$3,687	-11.24%
County Wide	\$3,182,678	\$2,688,251	-\$494,427	-15.53%

PART FOUR: MUNICIPAL TAX POLICY SENSITIVITY ANALYSIS

For 2023, the *Municipal Act* continues to provide Upper and Single-Tier municipalities with a range of tax policy tools that may be used to alter the distribution of the tax burden both within and between tax classes. The following tools may be used to change or achieve local tax policy objectives, target the benefits of growth, or redistribute the impacts of assessment change.⁴

1. Tax ratios may be adjusted to affect the level of taxation on different tax classes;
2. Optional business property classes may be employed or collapsed to alter taxation within broad commercial or industrial tax classes;
3. Subclass discounts for vacant and excess land may be adjusted;
4. Graduated taxation schemes for the business classes can be used to impose higher rates of taxation on properties with higher current value assessment in order to provide tax relief on properties with lower assessed values.

A comprehensive examination of tax ratios and a relevant sensitivity analysis should be undertaken each year. Specific examination of the use of optional tax classes and graduated taxation are generally only required if these options are being actively considered. After considering the contents of this report Council may wish to further explore the utility and application of these alternate apportionment and mitigation strategies.

Moving Tax Ratios

Both Upper-Tier and Single-Tier municipalities are required to establish tax ratios for the multi-residential, commercial, industrial, landfill and pipeline classes prior to finalizing tax rates for the current year's tax cycle. Established ratios will ultimately govern the relationship between the rate of taxation for each affected class and the tax rate for the Residential property class.

The tax ratio for the residential class is legislated at 1.0, while the farm and managed forest classes have a prescribed tax ratio of 0.25. Municipalities do have the flexibility to set a tax ratio for the farm class that is below 0.25, however, this reduction would only apply to the municipal portion of the property tax bill.

In setting tax ratios for all other property classes, municipalities must do so within the guidelines prescribed by the Province. Council may choose to adopt: (1) either the current tax ratio for any class (2022 adopted or 2023 starting ratio where levy restriction and/or optional classes applied in 2022), (2) establish a new tax ratio for the year that is closer to or within the Range of Fairness, as shown in Table 16; or (3) utilize restated revenue neutral transition ratios to mitigate reassessment related tax shifts between classes in accordance with the regulated calculations.

⁴ The by-law deadlines for many tax policy decisions is December 31st of the subject taxation year.

Table 16
Tax Ratio Summary

Realty Tax Class	Tax Ratios		Range of Fairness		Threshold Ratios	
	2022 Actual	2023 Start	Lower Limit	Upper Limit	Threshold	Subject to Levy Restriction
Residential	1.000000	1.000000	1.00	1.00	-	N/A
Farm	0.250000	0.250000	0.00	0.25	-	N/A
Managed Forest	0.250000	0.250000	0.25	0.25	-	N/A
New Multi-Residential	1.000000	1.000000	1.00	1.10	-	N/A
Multi-Residential	1.000000	1.000000	1.00	1.10	2.00	No
Commercial	1.233100	1.233100	0.60	1.10	1.98	No
Industrial	1.747700	1.747700	0.60	1.10	2.63	No
Landfill	1.016400	1.016400	0.60	1.10	25.00	No
Pipeline	1.016400	1.016400	0.60	0.70	-	N/A

Where Optional Classes Apply

Where a municipality has elected to use optional tax classes, changes to tax ratios are regulated based on the relationship of the municipality's broad class ratios (the weighted average of commercial, shopping centre, office, and parking lot is equivalent to the broad commercial class, and industrial and large industrial are deemed to be the broad Industrial class).

Council must ensure that the weighted average broad class ratio for the current year does not exceed the broad class ratio for the prior year. To strictly comply with the provisions of Section 308 of the *Municipal Act*, adjustments to tax ratios may be required for the commercial and industrial tax classes.

The legislated deadline that previously applied to the creation of new, or the collapsing of existing optional classes, has now been eliminated; however, municipalities that intend to make a change to the class structure need to make this decision before any tax rate or ratio by-laws can be passed. It is also critical to provide the Province with as much advanced notice of any such change, as it could impact the manner in which education tax rates are calculated and/or regulated for the taxation year.

Tax Policy and Budget Change Sensitivity Analysis

To assist staff and Council in evaluating the potential impact of various tax policy and levy change scenarios, MTE has modelled the effects of the following on the County general levy:

- Reducing the commercial ratio to 1.10 which is the upper limit of the range of fairness;
- Reducing the industrial ratio by 10% to 1.572930;
- Reducing the farm ratio to 0.24.

Table 17 below provides the scenario parameters and impacts at a glance.

Table 17
Sensitivity Scenario Outline

Realty Tax Class	Status Quo Parameter	Scenario 1		Scenario 2		Scenario 3	
		Parameter	Change	Parameter	Change	Parameter	Change
Residential	1.000000	1.000000	0.00%	1.000000	0.00%	1.000000	0.00%
Farm	0.250000	0.250000	0.00%	0.250000	0.00%	0.240000	-4.00%
Managed Forest	0.250000	0.250000	0.00%	0.250000	0.00%	0.250000	0.00%
New Multi-Residential	1.000000	1.000000	0.00%	1.000000	0.00%	1.000000	0.00%
Multi-Residential	1.000000	1.000000	0.00%	1.000000	0.00%	1.000000	0.00%
Commercial	1.233100	1.100000	-10.79%	1.233100	0.00%	1.233100	0.00%
Industrial	1.747700	1.747700	0.00%	1.572930	-10.00%	1.747700	0.00%
Landfill	1.223945	1.223945	0.00%	1.223945	0.00%	1.223945	0.00%
Pipeline	1.016400	1.016400	0.00%	1.016400	0.00%	1.016400	0.00%
Levy Target	\$57,716,494	\$57,716,494		\$57,716,494		\$57,716,494	

Tax Ratios and Balance of Taxation

Tax ratios and subclass discounts govern the tax rate of each property class in relation to the tax rate for the residential property class. Ontario's tax ratio system is not simply about expressing the relationship among tax rates, the real function of tax ratios is to manipulate the balance of taxation among property classes.

Tax ratios effectively alter the weighting, or distribution of the tax burden compared to how the total levy would be shared if each dollar of CVA was treated equally. Table 18 shows how the share of tax differs from the share of assessment for each class in accordance with the municipality's starting ratios for the year. The more dramatic the ratio, the larger the difference between the share of assessment and share of tax each class carries. By changing tax ratios, the municipality can influence and alter this balance.

Table 18
Balance of Taxation

Realty Tax Class	Assessment		Upper Tier General Levy Share			
	2023 CVA	Share	Status Quo	Scenario 1	Scenario 2	Scenario 3
<i>Taxable + Shared PIL</i>						
Residential	10,888,119,032	69.20%	81.67%	82.35%	81.84%	81.89%
Farm	3,585,618,785	22.79%	6.72%	6.78%	6.74%	6.47%
Managed Forest	41,174,400	0.26%	0.08%	0.08%	0.08%	0.08%
New Multi-Residential	20,047,000	0.13%	0.15%	0.15%	0.15%	0.15%
Multi-Residential	153,546,035	0.98%	1.15%	1.16%	1.15%	1.15%
Commercial	715,578,084	4.55%	6.62%	5.95%	6.63%	6.64%
Industrial	163,131,524	1.04%	2.14%	2.16%	1.93%	2.14%
Pipeline	17,887,000	0.11%	0.14%	0.14%	0.14%	0.14%
Sub-Total Taxable	15,585,101,860	99.05%	98.67%	98.77%	98.66%	98.66%
<i>Payment in Lieu</i>						
Residential	29,717,100	0.19%	0.22%	0.22%	0.22%	0.22%
Commercial	117,742,200	0.75%	1.09%	0.98%	1.09%	1.09%
Landfill	2,390,500	0.02%	0.02%	0.02%	0.02%	0.02%
Sub-Total PIL	149,849,800	0.95%	1.33%	1.23%	1.34%	1.34%
Total (Tax + PIL)	15,734,951,660	100.00%	100.00%	100.00%	100.00%	100.00%

Sensitivity Model Outcomes

The detailed results for these models are set out in Tables 19-A through C, 20-A through C, and 21-A through C, respectively.

Each of the “A” Tables contain the ratios and rates for each model, which are provided in comparison to the municipality’s 2023 status quo starting rate and levy scenario.

The “B” Tables show the class level impacts that could be expected under each alternate model. These results are provided in contrast to the class distribution of taxes under the municipality’s levy calculated using status quo tax policy.

The “C” Tables represent the results of the “B” Tables by local municipality.

In reviewing these results, the reader should note that these scenarios have been developed for illustrative purposes and are not intended to reflect specific recommendations or suggested strategies.

Scenario 1: Reducing the commercial ratio to 1.10 which is the upper limit of the range of fairness.

Table 19-A
Tax Rate Sensitivity

Realty Tax Class	Tax Ratios			County General Levy Tax Rates		
	Start	Model	Difference	Notional	Scenario 1	Difference
Residential	1.000000	1.000000	0.00%	0.00438773	0.00441973	0.73%
Farm	0.250000	0.250000	0.00%	0.00109693	0.00110493	0.73%
Managed Forest	0.250000	0.250000	0.00%	0.00109693	0.00110493	0.73%
New Multi-Residential	1.000000	1.000000	0.00%	0.00438773	0.00441973	0.73%
Multi-Residential	1.000000	1.000000	0.00%	0.00438773	0.00441973	0.73%
Commercial	1.233100	1.100000	-10.79%	0.00541051	0.00486170	-10.14%
Industrial	1.747700	1.747700	0.00%	0.00766844	0.00772436	0.73%
Landfill	1.223945	1.223945	0.00%	0.00537034	0.00540951	0.73%
Pipeline	1.016400	1.016400	0.00%	0.00445969	0.00449221	0.73%

PART FOUR: MUNICIPAL TAX POLICY SENSITIVITY ANALYSIS

Scenario 1: Reducing the commercial ratio to 1.10 which is the upper limit of the range of fairness.

Table 19-B
General Levy Sensitivity
In comparison to 2023 Notional Levy

Realty Tax Class	2023 County General Levy		Difference	
	Notional Levy	Scenario 1	\$	%
<i>Taxable + Shared PIL</i>				
Residential	\$47,774,102	\$48,122,525	\$348,423	0.73%
Farm	\$3,933,172	\$3,961,858	\$28,686	0.73%
Managed Forest	\$45,165	\$45,495	\$330	0.73%
New Multi-Residential	\$87,960	\$88,602	\$642	0.73%
Multi-Residential	\$673,719	\$678,631	\$4,912	0.73%
Commercial	\$3,871,642	\$3,478,927	-\$392,715	-10.14%
Industrial	\$1,250,964	\$1,260,086	\$9,122	0.73%
Pipeline	\$79,770	\$80,353	\$583	0.73%
Sub-Total Taxable	\$57,716,494	\$57,716,477	-\$17	0.00%
<i>Payment in Lieu</i>				
Residential	\$130,391	\$131,342	\$951	0.73%
Commercial	\$637,045	\$572,428	-\$64,617	-10.14%
Landfill	\$12,838	\$12,931	\$93	0.72%
Sub-Total PIL	\$780,274	\$716,701	-\$63,573	-8.15%
Total (Tax + PIL)	\$58,496,768	\$58,433,178	-\$63,590	-0.11%

Table 19-C
County General Levy Sensitivity
In comparison to 2023 Notional Levy

Local Municipality	2023 County General Levy		Difference	
	Notional	Scenario 1	\$	%
Arran-Elderslie	\$3,284,961	\$3,291,160	\$6,199	0.19%
Brockton	\$5,267,522	\$5,262,624	-\$4,898	-0.09%
Huron-Kinloss	\$6,409,756	\$6,438,381	\$28,625	0.45%
Kincardine	\$10,407,136	\$10,322,982	-\$84,154	-0.81%
Northern Bruce Peninsula	\$7,232,667	\$7,261,524	\$28,857	0.40%
Saugeen Shores	\$13,251,794	\$13,248,083	-\$3,711	-0.03%
South Bruce	\$3,181,441	\$3,190,197	\$8,756	0.28%
South Bruce Peninsula	\$8,681,217	\$8,701,526	\$20,309	0.23%
County (Tax + Shared PIL)	\$57,716,494	\$57,716,477	-\$17	0.00%

PART FOUR: MUNICIPAL TAX POLICY SENSITIVITY ANALYSIS

Scenario 2: Reducing the industrial ratio by 10% to 1.572930.

Table 20-A
Tax Rate Sensitivity

Realty Tax Class	Tax Ratios			County General Levy Tax Rates		
	Start	Model	Difference	Notional	Scenario 2	Difference
Residential	1.000000	1.000000	0.00%	0.00438773	0.00439726	0.22%
Farm	0.250000	0.250000	0.00%	0.00109693	0.00109932	0.22%
Managed Forest	0.250000	0.250000	0.00%	0.00109693	0.00109932	0.22%
New Multi-Residential	1.000000	1.000000	0.00%	0.00438773	0.00439726	0.22%
Multi-Residential	1.000000	1.000000	0.00%	0.00438773	0.00439726	0.22%
Commercial	1.233100	1.233100	0.00%	0.00541051	0.00542226	0.22%
Industrial	1.747700	1.572930	-10.00%	0.00766844	0.00691658	-9.80%
Landfill	1.223945	1.223945	0.00%	0.00537034	0.00538200	0.22%
Pipeline	1.016400	1.016400	0.00%	0.00445969	0.00446938	0.22%

Table 20-B
General Levy Sensitivity
In comparison to 2023 Notional Levy

Realty Tax Class	2023 County General Levy		Difference	
	Notional Levy	Scenario 2	\$	%
<i>Taxable + Shared PIL</i>				
Residential	\$47,774,102	\$47,877,868	\$103,766	0.22%
Farm	\$3,933,172	\$3,941,743	\$8,571	0.22%
Managed Forest	\$45,165	\$45,264	\$99	0.22%
New Multi-Residential	\$87,960	\$88,152	\$192	0.22%
Multi-Residential	\$673,719	\$675,182	\$1,463	0.22%
Commercial	\$3,871,642	\$3,880,049	\$8,407	0.22%
Industrial	\$1,250,964	\$1,128,315	-\$122,649	-9.80%
Pipeline	\$79,770	\$79,943	\$173	0.22%
Sub-Total Taxable	\$57,716,494	\$57,716,516	\$22	0.00%
<i>Payment in Lieu</i>				
Residential	\$130,391	\$130,673	\$282	0.22%
Commercial	\$637,045	\$638,427	\$1,382	0.22%
Landfill	\$12,838	\$12,866	\$28	0.22%
Sub-Total PIL	\$780,274	\$781,966	\$1,692	0.22%
Total (Tax + PIL)	\$58,496,768	\$58,498,482	\$1,714	0.00%

PART FOUR: MUNICIPAL TAX POLICY SENSITIVITY ANALYSIS

Scenario 2: Reducing the industrial ratio by 10% to 1.572930.

Table 20-C
Upper Tier General Levy Sensitivity
In comparison to 2023 Notional Levy

Local Municipality	2023 County General Levy		Difference	
	<i>Notional</i>	<i>Scenario 2</i>	\$	%
Arran-Elderslie	\$3,284,961	\$3,285,110	\$149	0.00%
Brockton	\$5,267,522	\$5,269,292	\$1,770	0.03%
Huron-Kinloss	\$6,409,756	\$6,417,164	\$7,408	0.12%
Kincardine	\$10,407,136	\$10,347,213	-\$59,923	-0.58%
Northern Bruce Peninsula	\$7,232,667	\$7,246,172	\$13,505	0.19%
Saugeen Shores	\$13,251,794	\$13,277,830	\$26,036	0.20%
South Bruce	\$3,181,441	\$3,181,801	\$360	0.01%
South Bruce Peninsula	\$8,681,217	\$8,691,934	\$10,717	0.12%
County (Tax + Shared PIL)	\$57,716,494	\$57,716,516	\$22	0.00%

PART FOUR: MUNICIPAL TAX POLICY SENSITIVITY ANALYSIS

Scenario 3: Reducing the farm ratio to 0.24.

Table 21-A
Tax Rate Sensitivity

Realty Tax Class	Tax Ratios			County General Levy Tax Rates		
	Start	Model	Difference	Notional	Scenario 3	Difference
Residential	1.000000	1.000000	0.00%	0.00438773	0.00439972	0.27%
Farm	0.250000	0.240000	-4.00%	0.00109693	0.00105593	-3.74%
Managed Forest	0.250000	0.250000	0.00%	0.00109693	0.00109993	0.27%
New Multi-Residential	1.000000	1.000000	0.00%	0.00438773	0.00439972	0.27%
Multi-Residential	1.000000	1.000000	0.00%	0.00438773	0.00439972	0.27%
Commercial	1.233100	1.233100	0.00%	0.00541051	0.00542529	0.27%
Industrial	1.747700	1.747700	0.00%	0.00766844	0.00768939	0.27%
Landfill	1.223945	1.223945	0.00%	0.00537034	0.00538502	0.27%
Pipeline	1.016400	1.016400	0.00%	0.00445969	0.00447188	0.27%

Table 21-B
General Levy Sensitivity
In comparison to 2023 Notional Levy

Realty Tax Class	2023 County General Levy		Difference	
	Notional Levy	Scenario 3	\$	%
<i>Taxable + Shared PIL</i>				
Residential	\$47,774,102	\$47,904,650	\$130,548	0.27%
Farm	\$3,933,172	\$3,786,162	-\$147,010	-3.74%
Managed Forest	\$45,165	\$45,288	\$123	0.27%
New Multi-Residential	\$87,960	\$88,202	\$242	0.28%
Multi-Residential	\$673,719	\$675,560	\$1,841	0.27%
Commercial	\$3,871,642	\$3,882,220	\$10,578	0.27%
Industrial	\$1,250,964	\$1,254,384	\$3,420	0.27%
Pipeline	\$79,770	\$79,988	\$218	0.27%
Sub-Total Taxable	\$57,716,494	\$57,716,454	-\$40	0.00%
<i>Payment in Lieu</i>				
Residential	\$130,391	\$130,746	\$355	0.27%
Commercial	\$637,045	\$638,784	\$1,739	0.27%
Landfill	\$12,838	\$12,874	\$36	0.28%
Sub-Total PIL	\$780,274	\$782,404	\$2,130	0.27%
Total (Tax + PIL)	\$58,496,768	\$58,498,858	\$2,090	0.00%

Scenario 3: Reducing the farm ratio to 0.24.

Table 21-C
Upper Tier General Levy Sensitivity
In comparison to 2023 Notional Levy

Local Municipality	2023 County General Levy		Difference	
	<i>Notional</i>	<i>Scenario 3</i>	\$	%
Arran-Elderslie	\$3,284,961	\$3,271,434	-\$13,527	-0.41%
Brockton	\$5,267,522	\$5,253,126	-\$14,396	-0.27%
Huron-Kinloss	\$6,409,756	\$6,395,565	-\$14,191	-0.22%
Kincardine	\$10,407,136	\$10,409,004	\$1,868	0.02%
Northern Bruce Peninsula	\$7,232,667	\$7,247,954	\$15,287	0.21%
Saugeen Shores	\$13,251,794	\$13,282,055	\$30,261	0.23%
South Bruce	\$3,181,441	\$3,158,474	-\$22,967	-0.72%
South Bruce Peninsula	\$8,681,217	\$8,698,842	\$17,625	0.20%
County (Tax + Shared PIL)	\$57,716,494	\$57,716,454	-\$40	0.00%

PART FIVE: EXPANDED FARM CLASS AND WHOLE-FARM IMPACT ANALYSIS

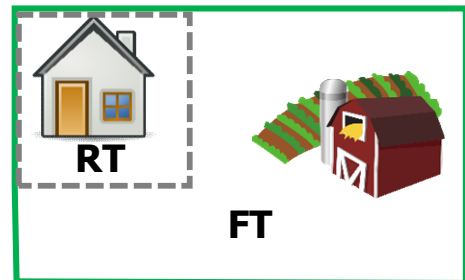
Farm Class vs. Whole Farm Property Tax

The farm property class is considered to be a special tax incentive class and inclusion is based on a host of ownership, use and occupancy criteria. A large proportion of farms as understood outside the realm of property tax are made up of a farm class portion and portions that fall into other classes. As such, it is important to consider these other elements in order to fully and accurately understand how farms are being taxed.

The most common combination is a farm portion mixed with a residential portion associated with a farmhouse or other non-farm related improvements. Some farms also have elements classified as commercial or industrial based on use; this will be discussed later in the report.

This figure provides a simple illustration of a typical farm with a farmhouse. This property would fall under a single roll number but would be comprised of two separate portions; a farm class portion and a residential portion.

For assessment purposes the underlying land is valued as farmland and the home and barn are valued on a replacement cost model derived from comparable farms.



One acre of land along with the farmhouse is classified and taxed as residential; the remainder of the land and all farm related out buildings are classified and taxed in the farm property class and subject to tax rates that are $\frac{1}{4}$ of those applicable to residential property.

As of roll return for 2023 taxation, there are 6,423 roll numbers (properties) in the County that fall entirely or partially in the farm property class. The following tables have been prepared to give the reader a sense of these properties.

Table 22 shows that approximately 55% of all properties that make up the farm class have at least one other portion on the same roll number that is captured by another property class. Further, approximately 72% of farm property portions within the municipality are part of multi-portion farms.

Table 22
Farm Class Rolls and Whole-Farm Property Portions

Local Municipality	Farm Class Rolls	Farm Property Portions	Farm Class Only			Multi-Portion Farms		
			Count	Share of Farm Rolls	Share of Farm Portions	Count	Share of Farm Rolls	Share of Farm Portions
Arran-Elderslie	1,050	1,581	549	52.29%	34.72%	501	47.71%	65.28%
Brockton	1,182	1,891	505	42.72%	26.71%	677	57.28%	73.29%
Huron-Kinloss	945	1,479	459	48.57%	31.03%	486	51.43%	68.97%
Kincardine	1,045	1,688	468	44.78%	27.73%	577	55.22%	72.27%
Northern Bruce Pen.	348	498	213	61.21%	42.77%	135	38.79%	57.23%
Saugeen Shores	289	458	136	47.06%	29.69%	153	52.94%	70.31%
South Bruce	1,104	1,876	381	34.51%	20.31%	723	65.49%	79.69%
South Bruce Pen.	460	754	201	43.70%	26.66%	259	56.30%	73.34%
County Wide	6,423	10,225	2,912	45.34%	28.48%	3,511	54.66%	71.52%

Typical Farm Property Changes

In light of the fact that the County farms are not fully, or well represented by changes to farm class assessment and tax change alone, MTE has expanded on the typical farm property analysis.

- Table 23-A includes farm class property portions only, regardless of whether they represent the entire farm or only a component of the property;
- Table 23-B is based on single portion farms classified solely in the farm property class;
- Table 23-C looks at only those farm properties with additional non-farm portions; and
- Table 23-D includes all portions of all properties including both single and multi-portion farms.

PART FIVE: EXPANDED FARM CLASS AND WHOLE-FARM IMPACT ANALYSIS

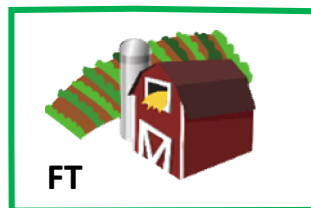
Table 23-A
Typical Farm Class (FT) Property Portions Only: Single and Multi-Portion Farms

Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	487,094	\$1,683	\$534	32%	\$963	57%	\$186	11%
Brockton	553,666	\$2,051	\$607	30%	\$1,232	60%	\$212	10%
Huron-Kinloss	762,575	\$2,387	\$836	35%	\$1,259	53%	\$292	12%
Kincardine	577,903	\$1,970	\$634	32%	\$1,115	57%	\$221	11%
Northern Bruce Pen.	292,258	\$754	\$321	43%	\$321	43%	\$112	14%
Saugeen Shores	468,103	\$1,459	\$513	35%	\$767	53%	\$179	12%
South Bruce	651,825	\$2,285	\$715	31%	\$1,321	58%	\$249	11%
South Bruce Pen.	301,287	\$877	\$330	38%	\$432	49%	\$115	13%
County Wide	558,247	\$1,802	\$612	34%	\$976	54%	\$214	12%



Table 23-B
Typical Single Portion / Stand-Alone Farm Class (FT) Properties

Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	414,287	\$1,431	\$454	32%	\$819	57%	\$158	11%
Brockton	444,226	\$1,646	\$487	30%	\$989	60%	\$170	10%
Huron-Kinloss	701,474	\$2,195	\$769	35%	\$1,158	53%	\$268	12%
Kincardine	512,952	\$1,749	\$563	32%	\$990	57%	\$196	11%
Northern Bruce Pen.	268,362	\$691	\$294	43%	\$294	43%	\$103	14%
Saugeen Shores	480,199	\$1,498	\$527	35%	\$787	53%	\$184	12%
South Bruce	538,139	\$1,887	\$590	31%	\$1,091	58%	\$206	11%
South Bruce Pen.	265,531	\$774	\$291	38%	\$381	49%	\$102	13%
County Wide	478,945	\$1,603	\$525	33%	\$895	56%	\$183	11%



PART FIVE: EXPANDED FARM CLASS AND WHOLE-FARM IMPACT ANALYSIS

Table 23-C
Multi-Portion Farm Properties: Farm (FT) + Mixed Portion(s)

Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	732,153	\$4,318	\$1,356	31%	\$2,444	57%	\$518	12%
Brockton	820,364	\$5,201	\$1,519	29%	\$3,083	59%	\$599	12%
Huron-Kinloss	996,673	\$5,012	\$1,717	34%	\$2,586	52%	\$709	14%
Kincardine	819,942	\$5,643	\$1,686	30%	\$2,967	53%	\$990	17%
Northern Bruce Pen.	460,073	\$2,272	\$948	42%	\$948	42%	\$376	16%
Saugeen Shores	660,137	\$3,999	\$1,388	35%	\$2,074	52%	\$537	13%
South Bruce	892,031	\$5,117	\$1,585	31%	\$2,928	57%	\$604	12%
South Bruce Pen.	495,167	\$2,969	\$1,098	37%	\$1,436	48%	\$435	15%
County Wide	802,046	\$4,775	\$1,506	32%	\$2,624	55%	\$645	13%

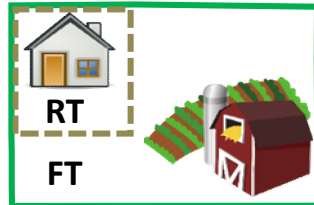
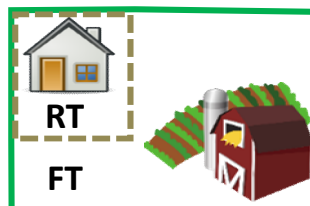
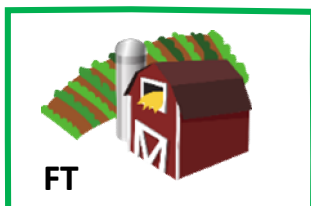


Table 23-D
All Farm Rolls: Single and Multi-Portion Farms

Municipality	2023 Average		Upper Tier		Local		Education	
	CVA	Tax	Tax	Share	Tax	Share	Tax	Share
Arran-Elderslie	565,955	\$2,808	\$884	31%	\$1,594	57%	\$330	12%
Brockton	659,662	\$3,682	\$1,078	29%	\$2,188	59%	\$416	12%
Huron-Kinloss	853,290	\$3,644	\$1,257	34%	\$1,892	52%	\$495	14%
Kincardine	682,458	\$3,900	\$1,183	30%	\$2,082	53%	\$635	17%
Northern Bruce Pen.	342,733	\$1,305	\$548	42%	\$548	42%	\$209	16%
Saugeen Shores	575,460	\$2,821	\$983	35%	\$1,468	52%	\$370	13%
South Bruce	769,900	\$4,003	\$1,242	31%	\$2,294	57%	\$467	12%
South Bruce Pen.	394,826	\$2,010	\$745	37%	\$975	49%	\$290	14%
County Wide	655,561	\$3,337	\$1,061	32%	\$1,840	55%	\$436	13%



Agri-Food Business Subclasses for Farm Properties

Small Scale On Farm Business (SSOFB) subclasses are optional for municipal purposes and are intended to give municipalities a means of incenting / supporting small scale Agri-Food enterprises. These subclasses apply for education purposes, regardless of whether a municipality chooses to participate.

The following has been prepared to provide staff and decision makers with a measure of general insight regarding the purpose, nature, and potential financial implications of these new subclasses.

Farm Class and Subclass Overview

Historically Ontario's property assessment and taxation system included two mandated subclasses within each of the commercial and industrial property classes: vacant and excess land. In simple terms, the vacant land subclasses include complete parcels (rolls) that are classified as commercial or industrial due to zoning or historic use, but which are completely absent of assessable improvements. The excess land subclass is assigned to unused portions of improved property that exceed local zoning requirements⁵.

The farm subclasses are constituent of the commercial and industrial classes but distinct from those described above in a number of critical ways:

- They are optional and do not apply for municipal purposes unless adopted⁶;
- They only apply to commercial or industrial portions of rolls that also include a portion included in the farm property class;
- Rather than apply to a physically delineated or identifiable property or portion of property, they apply to a portion of the property's value and as such only exist for taxation purposes alone; and
- With uniform class specific reductions of 75% these subclasses attract much larger discounts than the vacant and excess land subclasses, which cannot exceed 35%.

The farm subclasses were introduced in 2018 with one subclass under each of the commercial and industrial classes. As of 2022, we have two separate SSOFB subclasses for each class with the total eligible CVA per property being increased from 50,000 to 100,000.

- The first SSOFB subclass applies to the first 50,000 of eligible CVA; and
- The second SSOFB subclass applies to any portion of eligible CVA in excess of 50,000 up to a total threshold of 100,000 per property.

⁵ For example: If zoning required two acres for a gas station and the property was 10 acres, the building(s) and two acres may be assessed as full commercial and the remaining eight acres assessed as commercial excess.

⁶ The existing subclasses apply by default and municipalities must pass a by-law to opt out.

PART FIVE: EXPANDED FARM CLASS AND WHOLE-FARM IMPACT ANALYSIS

Eligible Properties

A large proportion of *farms* as understood outside the realm of property tax are made up of a farm class portion and portions that fall into other classes. The most common combination is a farm (FT) portion mixed with a residential (RT) portion, however, some farms also have elements classified as commercial or industrial based on use. For example, if a farmer were to operate a produce market or butcher shop as part of their overall business model, the property could be made up of three separate portions: farmland, residential and commercial.

Element	RTCQ	CVA	Ratio	Rate	Tax
Farmland and Buildings	FT	300,000	0.25	0.25%	\$750
Home	RT	100,000	1.00	1.00%	\$1,000
Retail Store	CT	125,000	1.50	1.50%	\$1,875
Property Total		525,000			\$3,625



In this example the property is captured by a single roll number but made up of the separately classified portions, each of which attracts distinct tax rates for both municipal and education purposes. These subclasses are exclusive to properties such as this that have a commercial or industrial portion, but which are mainly, or at least partially, assessed in the farm property class.

As the program was conceived to be an incentive/benefit for small scale commercial and industrial operations that are ostensibly ancillary to farming operations, it does not apply to large scale industrial or commercial operations valued at more than 1,000,000. This limitation is intended to ensure a level playing field among larger on-farm and off-farm commercial and industrial enterprises.

Eligible Amounts

We have used our example property from above to illustrate how the commercial assessment would be broken out among the main class and two subclasses, which means the property is now comprised of five rather than three separate portions.

Element	Classification	CVA	Ratio	Discount	Rate	Tax
Farmland and Buildings	Farm (FT)	300,000	0.25	1.00	0.25%	\$750
Home	Residential (RT)	100,000	1.00	1.00	1.00%	\$1,000
Retail Store	SSOFB Phase 1	50,000	1.50	0.25	0.38%	\$190
	SSOFB Phase 2	50,000	1.50	0.25	0.38%	\$190
	Commercial Full	25,000	1.50	1.00	1.50%	\$375
Property Total		525,000				\$2,505
Without Subclass		525,000				\$3,625
Tax Savings		0				-\$1,120

Eligible properties will appear on the roll with the subclassifications applied and each portion will be subject to a reduced rate for education purposes. It is up to the municipality (upper or single-tier), whether or not to apply tax rate municipal discounts to one or both of the subclasses.

PART FIVE: EXPANDED FARM CLASS AND WHOLE-FARM IMPACT ANALYSIS

The application of this treatment will not impact the overall assessed value of property and the eligible element cannot be physically delineated or identified separately from the greater commercial/industrial portion. Ultimately, the subclasses simply split the value of the commercial or industrial portion so that a lower rate of taxation can be applied to the first 50,000 (or 100,000) of assessment. If the business class portion as a whole was assessed at less than the applicable threshold it would be captured solely by the subclass.

Properties with Commercial and Industrial Classifications

For farm properties that have both commercial and industrial components, the subclass thresholds are always applied to the industrial portion first and then to any commercial assessment while maintaining the overall maximum of 50,000 per property for the first subclass and 100,000 across all SSOFB subclasses. The following has been prepared to illustrate these mechanics in simplistic terms.

		Current Vale Assessment		
Property Class	Total	SSOFB 1	SSOFB 2	Total SSOFB
Illustration 1				
Industrial	125,000	50,000	50,000	100,000
Commercial	125,000	0	0	0
Total	250,000	50,000	50,000	100,000
Illustration 2				
Industrial CVA	75,000	50,000	25,000	75,000
Commercial CVA	175,000	0	25,000	25,000
Total	250,000	50,000	50,000	100,000
Illustration 3				
Industrial CVA	25,000	25,000	0	25,000
Commercial CVA	225,000	25,000	50,000	75,000
Total	250,000	50,000	50,000	100,000

Nature of Enterprise

These subclasses do not capture all on farm business activities. The Regulation restricts the application to commercial and industrial activities that are derivative of the broader farm operation. Specifically, commercial and industrial activities must meet the following criteria.

Commercial: Land used primarily to sell farm products, or a product derived from a farm product or products, that are produced on the land or on land used by the same farming business.

Industrial: Land used primarily to process or manufacture something from a farm product or products that are produced on the land or on land used by same farming business.

PART FIVE: EXPANDED FARM CLASS AND WHOLE-FARM IMPACT ANALYSIS

Local Subclass Properties

A summary of captured properties and the associated subclass CVA is set out in Table 24. As can be seen, only a very small number of properties have been deemed eligible. Of the 6,423 farm properties across the municipality, there are only 8 eligible subclass portions. The subclass CVA makes up only 0.003% of the on-farm CVA within the County.

Table 24
Small Scale On Farm Business Subclass Summary

Local Municipality	All Farms		Subclass Portions			Proportional Shares	
	Count	2023 CVA	SSOFB 1	SSOFB 2	Phased CVA (C+I)	Farms with Subclass	Subclass Farm CVA
Arran-Elderslie	1,050	594,252,600	1	0	24,500	0.10%	0.00%
Brockton	1,182	779,720,638	0	0	0	0.00%	0.00%
Huron-Kinloss	945	806,359,400	0	0	0	0.00%	0.00%
Kincardine	1,045	713,168,200	1	0	16,500	0.10%	0.00%
Northern Bruce Pen.	348	119,271,100	1	0	5,300	0.29%	0.00%
Saugeen Shores	289	166,308,000	2	0	50,900	0.69%	0.03%
South Bruce	1,104	849,969,586	2	0	14,800	0.18%	0.00%
South Bruce Pen.	460	181,620,000	1	0	20,500	0.22%	0.01%
County Wide	6,423	4,210,669,524	8	0	132,500	0.12%	0.03%

Table 25 has been prepared to illustrate the municipal tax implications if these subclasses were to be adopted for municipal purposes. This model is based on the revenue neutral/notional tax rates set out in Table 9 above for County general levy purposes. The rates applied for local general purposes are contained in the Local Addendum of each local area municipality attached to this study.

Table 25
Small Scale On-Farm Subclass Tax Impacts
(Municipal General Levy: Start Tax vs. Discounted Subclasses)

Local Area Municipality	Subclass Properties			County + Local General Levy		
	<i>Prop. #</i>	<i>Por. #</i>	<i>CVA</i>	<i>Without Discounts</i>	<i>Discounts Applied</i>	<i>Difference</i>
Arran-Elderslie	1	1	24,500	\$527	\$132	-\$395
Kincardine	1	1	16,500	\$246	\$62	-\$185
Northern Bruce Peninsula	1	1	5,300	\$57	\$14	-\$43
Saugeen Shores	2	2	50,900	\$687	\$172	-\$515
South Bruce	2	2	14,800	\$228	\$57	-\$171
South Bruce Peninsula	1	1	20,500	\$256	\$64	-\$192
County Wide	8	8	132,500	\$2,001	\$500	-\$1,501

This would have no material impact on the overall balance of taxation, however, if the County wish to have these subclasses apply for 2023 taxation this decision must be ratified via by-law. Once in place, all County and local municipal rates must be calculated in accordance with the appropriate discount.

PART SIX: GENERAL SUMMARY AND NEXT STEPS

The following notes, commentary and suggestions represent a compilation of the observations and thoughts that arose throughout the preparation and review of this report. This qualitative content does not represent a comprehensive commentary on any issue, and it is not intended to be provided as policy advice. No financial, taxation or municipal policy decisions should be made on the basis of these comments; they are intended only as general observations, which may or may not be of interest to the reader.

Assessment and Revenue Growth

The County's assessment and revenue growth increased in 2022 with the general levy revenue growth at 2.13% compared to last year's growth of 1.77%.

This is in part driven by efforts to update/correct the assessment roll throughout the year. This may also be impacted by the new ARB rules and scheduling protocols, which are putting appeal matters off further into the assessment cycle than in the past. The municipality is advised to monitor assessment and taxes at risk closely.

Recommended Next Steps

1. If any of the alternate tax policy models contained herein, or any other model that may deviate from the status quo is being considered, additional analysis should be undertaken. At a minimum, models should be prepared to document how any options under consideration will impact each local area municipality levy. Any change to the County's tax policy program will have a different impact on each local levy.
2. Whether or not tax policy changes (ratio, class structure, discounts, etc.) are being considered, the municipality should prepare complimentary models to document the specific implications of budgetary change if the 2023 total levy is going to differ from the revenue neutral position.
3. It is recommended that specific tax policy options be modelled and considered with care before any annual decisions are made.
4. Where specific tax policy challenges or pressures are anticipated, early attention should be devoted in order to effectively address and understand any potential challenges, opportunities and/or tax implications.
5. In light of the fact that we continue to tax on values that are far removed from the actual market value of properties, MTE encourages all of our clients to undertake deliberate market analysis in order to build an understanding as to the potential assessment and tax changes that could be expected once reassessment is restarted.

Staff are also encouraged to take steps necessary to ensure that both Council and the public are well informed regarding base line tax impacts and any implications related to potential policy change. MTE would be pleased to provide any level or type of support that may be deemed appropriate and/or necessary in this regard.

Local Results Table
2022 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Arran-Elderslie</i> Realty Tax Class	2022 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	539,868,398	550,004,984	10,136,586	1.88%
Farm	508,402,053	511,448,453	3,046,400	0.60%
Managed Forest	2,428,200	2,595,100	166,900	6.87%
New Multi-Residential	1,675,000	3,221,000	1,546,000	92.30%
Multi-Residential	11,205,735	11,205,735	0	0.00%
Commercial	29,564,314	30,188,728	624,414	2.11%
Industrial	9,177,800	9,098,200	-79,600	-0.87%
Pipeline	2,556,000	2,559,000	3,000	0.12%
Sub-Total: Taxable	1,104,877,500	1,120,321,200	15,443,700	1.40%
<i>Payment In Lieu</i>				
Residential	393,600	393,600	0	0.00%
Commercial	3,366,000	3,279,800	-86,200	-2.56%
Landfill	181,200	181,200	0	0.00%
Sub-Total: Payment In Lieu	3,940,800	3,854,600	-86,200	-2.19%
Total (Taxable + PIL)	1,108,818,300	1,124,175,800	15,357,500	1.39%

Local Results Table
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

Arran-Elderslie

Realty Tax Class	2021 Full CVA Growth		2022 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	11,123,097	2.10%	10,136,586	1.88%
Farm	301,700	0.06%	3,046,400	0.60%
Managed Forest	308,500	14.55%	166,900	6.87%
New Multi-Residential	0	0.00%	1,546,000	92.30%
Multi-Residential	12,445	0.11%	0	0.00%
Commercial	249,158	0.85%	624,414	2.11%
Industrial	-71,400	-0.77%	-79,600	-0.87%
Pipeline	245,000	10.60%	3,000	0.12%
Sub-Total: Taxable	12,168,500	1.11%	15,443,700	1.40%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	267,500	8.63%	-86,200	-2.56%
Landfill	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	267,500	7.28%	-86,200	-2.19%
Total (Taxable + PIL)	12,436,000	1.13%	15,357,500	1.39%



Local Results Table
2022 Local Revenue Growth
(Annualized)

<i>Arran-Elderslie</i> Realty Tax Class	2022 Local General Levy		Annualized Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$4,270,046	\$4,350,220	\$80,175	1.88%
Farm	\$1,005,294	\$1,011,318	\$6,024	0.60%
Managed Forest	\$4,801	\$5,131	\$330	6.87%
New Multi-Residential	\$13,248	\$25,476	\$12,228	92.30%
Multi-Residential	\$88,631	\$88,631	\$0	0.00%
Commercial	\$288,344	\$294,434	\$6,090	2.11%
Industrial	\$126,867	\$125,765	-\$1,100	-0.87%
Pipeline	\$20,548	\$20,572	\$24	0.12%
Sub-Total: Taxable	\$5,817,779	\$5,921,547	\$103,771	1.78%
<i>Payment In Lieu</i>				
Residential	\$3,113	\$3,113	\$0	0.00%
Commercial	\$32,829	\$31,988	-\$841	-2.56%
Landfill	\$1,754	\$1,754	\$0	0.00%
Sub-Total: Payment In Lieu	\$37,696	\$36,855	-\$841	-2.23%
Total (Taxable + PIL)	\$5,855,475	\$5,958,402	\$102,930	1.76%

Local Results Table
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Arran-Elderslie</i>	2021 Local Annualized Revenue Growth		2022 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$84,797	2.10%	\$80,175	1.88%
Farm	\$575	0.06%	\$6,024	0.60%
Managed Forest	\$588	14.55%	\$330	6.87%
New Multi-Residential	\$0	0.00%	\$12,228	92.30%
Multi-Residential	\$95	0.11%	\$0	0.00%
Commercial	\$2,141	0.78%	\$6,090	2.11%
Industrial	-\$667	-0.55%	-\$1,100	-0.87%
Pipeline	\$1,898	10.60%	\$24	0.12%
Sub-Total: Taxable	\$89,427	1.62%	\$103,771	1.78%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$2,514	8.63%	-\$841	-2.56%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$2,514	7.43%	-\$841	-2.23%
Total (Taxable + PIL)	\$91,941	1.66%	\$102,930	1.76%



Local Results Table
2022 Notional Municipal Levies

Arran-Elderslie	Start	Local Notional		Upper-Tier Notional	
Realty Tax Class	Ratio	Rate	Levy	Rate	Levy
Taxable					
Residential	1.000000	0.00790942	\$4,350,220	0.00438773	\$2,413,273
Farm	0.250000	0.00197736	\$1,011,318	0.00109693	\$561,023
Managed Forest	0.250000	0.00197736	\$5,131	0.00109693	\$2,847
New Multi-Residential	1.000000	0.00790942	\$25,476	0.00438773	\$14,133
Multi-Residential	1.000000	0.00790942	\$88,631	0.00438773	\$49,168
Commercial	1.233100	0.00975311	\$294,434	0.00541051	\$163,336
Industrial	1.747700	0.01382330	\$125,765	0.00766844	\$69,769
Pipeline	1.016400	0.00803914	\$20,572	0.00445969	\$11,412
Sub-Total: Taxable			\$5,921,547	\$3,284,961	
Payment In Lieu					
Residential	1.000000	0.00790942	\$3,113	0.00438773	\$1,727
Commercial	1.233100	0.00975311	\$31,988	0.00541051	\$17,745
Landfill	1.223945	0.00968070	\$1,754	0.00537034	\$973
Sub-Total: Payment In Lieu			\$36,855	\$20,445	
Total (Taxable + PIL)			\$5,958,402	\$3,305,406	



Local Results Table
2022 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Brockton</i>		2022 Full CVA		Full CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	865,508,053	888,393,353	22,885,300	2.64%	
Farm	650,666,706	654,433,706	3,767,000	0.58%	
Managed Forest	5,092,100	5,657,100	565,000	11.10%	
Multi-Residential	31,548,500	31,428,500	-120,000	-0.38%	
Commercial	72,586,479	73,631,879	1,045,400	1.44%	
Industrial	12,104,800	12,592,100	487,300	4.03%	
Pipeline	2,796,000	2,819,000	23,000	0.82%	
Sub-Total: Taxable	1,640,302,638	1,668,955,638	28,653,000	1.75%	
<i>Payment In Lieu</i>					
Residential	122,900	122,900	0	0.00%	
Commercial	11,051,200	11,076,200	25,000	0.23%	
Landfill	336,700	336,700	0	0.00%	
Sub-Total: Payment In Lieu	11,510,800	11,535,800	25,000	0.22%	
Total (Taxable + PIL)	1,651,813,438	1,680,491,438	28,678,000	1.74%	



Local Results Table
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Brockton</i>	2021 Full CVA Growth		2022 Full CVA Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	22,462,192	2.66%	22,885,300	2.64%
Farm	-767,878	-0.12%	3,767,000	0.58%
Managed Forest	121,800	2.45%	565,000	11.10%
Multi-Residential	2,086,000	7.08%	-120,000	-0.38%
Commercial	330,986	0.46%	1,045,400	1.44%
Industrial	53,300	0.44%	487,300	4.03%
Pipeline	46,000	1.67%	23,000	0.82%
Sub-Total: Taxable	24,332,400	1.51%	28,653,000	1.75%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	0	0.00%	25,000	0.23%
Landfill	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	0	0.00%	25,000	0.22%
Total (Taxable + PIL)	24,332,400	1.50%	28,678,000	1.74%



Local Results Table
2022 Local Revenue Growth
(Annualized)

<i>Brockton</i>		2022 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	\$7,706,207	\$7,909,970	\$203,763	2.64%	
Farm	\$1,448,332	\$1,456,717	\$8,385	0.58%	
Managed Forest	\$11,335	\$12,592	\$1,258	11.10%	
Multi-Residential	\$280,898	\$279,829	-\$1,068	-0.38%	
Commercial	\$796,935	\$808,413	\$11,478	1.44%	
Industrial	\$188,362	\$195,945	\$7,583	4.03%	
Pipeline	\$25,303	\$25,511	\$208	0.82%	
Sub-Total: Taxable	\$10,457,372	\$10,688,977	\$231,607	2.21%	
<i>Payment In Lieu</i>					
Residential	\$1,094	\$1,094	\$0	0.00%	
Commercial	\$121,333	\$121,607	\$274	0.23%	
Landfill	\$3,669	\$3,669	\$0	0.00%	
Sub-Total: Payment In Lieu	\$126,096	\$126,370	\$274	0.22%	
Total (Taxable + PIL)	\$10,583,468	\$10,815,347	\$231,881	2.19%	



Local Results Table
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Brockton</i>	2021 Local Annualized Revenue Growth		2022 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$193,406	2.66%	\$203,763	2.64%
Farm	-\$1,653	-0.12%	\$8,385	0.58%
Managed Forest	\$262	2.45%	\$1,258	11.10%
Multi-Residential	\$17,961	7.08%	-\$1,068	-0.38%
Commercial	\$3,956	0.52%	\$11,478	1.44%
Industrial	-\$1,596	-0.89%	\$7,583	4.03%
Pipeline	\$402	1.67%	\$208	0.82%
Sub-Total: Taxable	\$212,738	2.15%	\$231,607	2.21%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$0	0.00%	\$274	0.23%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$0	0.00%	\$274	0.22%
Total (Taxable + PIL)	\$212,738	2.12%	\$231,881	2.19%



Local Results Table
2022 Notional Municipal Levies

<i>Brockton</i>	Start	Local Notional		Upper-Tier Notional	
Realty Tax Class	Ratio	Rate	Levy	Rate	Levy
<i>Taxable</i>					
Residential	1.000000	0.00890368	\$7,909,970	0.00438773	\$3,898,030
Farm	0.250000	0.00222592	\$1,456,717	0.00109693	\$717,868
Managed Forest	0.250000	0.00222592	\$12,592	0.00109693	\$6,205
Multi-Residential	1.000000	0.00890368	\$279,829	0.00438773	\$137,900
Commercial	1.233100	0.01097912	\$808,414	0.00541051	\$398,386
Industrial	1.747700	0.01556095	\$195,945	0.00766844	\$96,561
Pipeline	1.016400	0.00904970	\$25,511	0.00445969	\$12,572
Sub-Total: Taxable			\$10,688,978	\$5,267,522	
<i>Payment In Lieu</i>					
Residential	1.000000	0.00890368	\$1,094	0.00438773	\$539
Commercial	1.233100	0.01097912	\$121,607	0.00541051	\$59,928
Landfill	1.223945	0.01089761	\$3,669	0.00537034	\$1,808
Sub-Total: Payment In Lieu			\$126,370	\$62,275	
Total (Taxable + PIL)			\$10,815,348	\$5,329,797	



Local Results Table
2022 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Huron-Kinloss</i>		2022 Full CVA		Full CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	1,179,068,848	1,219,421,450	40,352,602	3.42%	
Farm	734,543,571	720,633,246	-13,910,325	-1.89%	
Managed Forest	3,132,000	3,374,500	242,500	7.74%	
Multi-Residential	7,600,000	7,600,000	0	0.00%	
Commercial	29,581,781	30,806,704	1,224,923	4.14%	
Industrial	8,400,600	8,483,800	83,200	0.99%	
Sub-Total: Taxable	1,962,326,800	1,990,319,700	27,992,900	1.43%	
<i>Payment In Lieu</i>					
Residential	181,400	181,400	0	0.00%	
Commercial	2,856,900	2,856,900	0	0.00%	
Landfill	429,900	429,900	0	0.00%	
Sub-Total: Payment In Lieu	3,468,200	3,468,200	0	0.00%	
Total (Taxable + PIL)	1,965,795,000	1,993,787,900	27,992,900	1.42%	



Local Results Table
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

Huron-Kinloss

Realty Tax Class	2021 Full CVA Growth		2022 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	15,377,700	1.32%	40,352,602	3.42%
Farm	7,192,518	0.99%	-13,910,325	-1.89%
Managed Forest	381,600	13.87%	242,500	7.74%
Multi-Residential	0	0.00%	0	0.00%
Commercial	323,582	1.11%	1,224,923	4.14%
Industrial	59,700	0.72%	83,200	0.99%
Sub-Total: Taxable	23,335,100	1.20%	27,992,900	1.43%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	16,300	0.57%	0	0.00%
Landfill	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	16,300	0.47%	0	0.00%
Total (Taxable + PIL)	23,351,400	1.20%	27,992,900	1.42%



Local Results Table
2022 Local Revenue Growth
(Annualized)

<i>Huron-Kinloss</i>		2022 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	\$7,788,566	\$8,055,343	\$266,776	3.43%	
Farm	\$1,213,077	\$1,190,104	-\$22,972	-1.89%	
Managed Forest	\$5,172	\$5,573	\$400	7.73%	
Multi-Residential	\$50,205	\$50,205	\$0	0.00%	
Commercial	\$240,965	\$250,943	\$9,978	4.14%	
Industrial	\$96,986	\$97,946	\$960	0.99%	
Sub-Total: Taxable	\$9,394,971	\$9,650,114	\$255,142	2.72%	
<i>Payment In Lieu</i>					
Residential	\$1,198	\$1,198	\$0	0.00%	
Commercial	\$23,271	\$23,271	\$0	0.00%	
Landfill	\$3,476	\$3,476	\$0	0.00%	
Sub-Total: Payment In Lieu	\$27,945	\$27,945	\$0	0.00%	
Total (Taxable + PIL)	\$9,422,916	\$9,678,059	\$255,142	2.71%	



Local Results Table
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

Huron-Kinloss

Realty Tax Class	2021 Local Annualized Revenue Growth		2022 Local Annualized Revenue Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	\$98,932	1.32%	\$266,776	3.43%
Farm	\$11,551	0.99%	-\$22,972	-1.89%
Managed Forest	\$613	13.88%	\$400	7.73%
Multi-Residential	\$0	0.00%	\$0	0.00%
Commercial	\$2,554	1.11%	\$9,978	4.14%
Industrial	\$670	0.72%	\$960	0.99%
Sub-Total: Taxable	\$114,320	1.27%	\$255,142	2.72%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$129	0.57%	\$0	0.00%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$129	0.48%	\$0	0.00%
Total (Taxable + PIL)	\$114,449	1.26%	\$255,142	2.71%



Local Results Table
2022 Notional Municipal Levies

<i>Huron-Kinloss</i>	Start	Local Notional		Upper-Tier Notional	
Realty Tax Class	Ratio	Rate	Levy	Rate	Levy
<i>Taxable</i>					
Residential	1.000000	0.00660588	\$8,055,343	0.00438773	\$5,350,486
Farm	0.250000	0.00165147	\$1,190,104	0.00109693	\$790,484
Managed Forest	0.250000	0.00165147	\$5,573	0.00109693	\$3,702
Multi-Residential	1.000000	0.00660588	\$50,205	0.00438773	\$33,347
Commercial	1.233100	0.00814571	\$250,943	0.00541051	\$166,680
Industrial	1.747700	0.01154510	\$97,946	0.00766844	\$65,057
Sub-Total: Taxable			\$9,650,114	\$6,409,756	
<i>Payment In Lieu</i>					
Residential	1.000000	0.00660588	\$1,198	0.00438773	\$796
Commercial	1.233100	0.00814571	\$23,271	0.00541051	\$15,457
Landfill	1.223945	0.00808523	\$3,476	0.00537034	\$2,309
Sub-Total: Payment In Lieu			\$27,945	\$18,562	
Total (Taxable + PIL)			\$9,678,059	\$6,428,318	



Local Results Table
2022 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Kincardine</i> Realty Tax Class	2022 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	1,614,088,444	1,668,723,944	54,635,500	3.38%
Farm	636,481,300	603,908,600	-32,572,700	-5.12%
Managed Forest	4,772,900	5,244,000	471,100	9.87%
Multi-Residential	24,300,700	27,671,700	3,371,000	13.87%
Commercial	269,974,590	272,076,590	2,102,000	0.78%
Industrial	107,636,875	107,393,375	-243,500	-0.23%
Sub-Total: Taxable	2,657,254,809	2,685,018,209	27,763,400	1.04%
<i>Payment In Lieu</i>				
Residential	1,037,300	1,037,300	0	0.00%
Commercial	8,564,700	8,564,700	0	0.00%
Landfill	306,700	306,700	0	0.00%
Sub-Total: Payment In Lieu	9,908,700	9,908,700	0	0.00%
Total (Taxable + PIL)	2,667,163,509	2,694,926,909	27,763,400	1.04%



Local Results Table
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Kincardine</i>	2021 Full CVA Growth		2022 Full CVA Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	34,010,409	2.15%	54,635,500	3.38%
Farm	5,563,600	0.88%	-32,572,700	-5.12%
Managed Forest	32,200	0.68%	471,100	9.87%
Multi-Residential	2,888,000	13.49%	3,371,000	13.87%
Commercial	2,014,945	0.75%	2,102,000	0.78%
Industrial	-6,109,045	-5.37%	-243,500	-0.23%
Sub-Total: Taxable	38,400,109	1.47%	27,763,400	1.04%
<i>Payment In Lieu</i>				
Residential	69,000	7.13%	0	0.00%
Commercial	1,517,300	21.53%	0	0.00%
Landfill	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	1,586,300	19.06%	0	0.00%
Total (Taxable + PIL)	39,986,409	1.52%	27,763,400	1.04%



Local Results Table
2022 Local Revenue Growth
(Annualized)

<i>Kincardine</i>	2022 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$12,461,053	\$12,882,849	\$421,796	3.38%
Farm	\$1,228,441	\$1,165,574	-\$62,867	-5.12%
Managed Forest	\$9,212	\$10,121	\$909	9.87%
Multi-Residential	\$187,606	\$213,631	\$26,025	13.87%
Commercial	\$2,570,092	\$2,590,101	\$20,010	0.78%
Industrial	\$1,452,297	\$1,449,011	-\$3,286	-0.23%
Sub-Total: Taxable	\$17,908,701	\$18,311,287	\$402,587	2.25%
<i>Payment In Lieu</i>				
Residential	\$8,008	\$8,008	\$0	0.00%
Commercial	\$81,533	\$81,533	\$0	0.00%
Landfill	\$2,898	\$2,898	\$0	0.00%
Sub-Total: Payment In Lieu	\$92,439	\$92,439	\$0	0.00%
Total (Taxable + PIL)	\$18,001,140	\$18,403,726	\$402,587	2.24%



Local Results Table
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Kincardine</i>	2021 Local Annualized Revenue Growth		2022 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$250,748	2.15%	\$421,796	3.38%
Farm	\$10,254	0.88%	-\$62,867	-5.12%
Managed Forest	\$59	0.68%	\$909	9.87%
Multi-Residential	\$21,292	13.49%	\$26,025	13.87%
Commercial	\$15,468	0.64%	\$20,010	0.78%
Industrial	-\$78,565	-5.46%	-\$3,286	-0.23%
Sub-Total: Taxable	\$219,256	1.30%	\$402,587	2.25%
<i>Payment In Lieu</i>				
Residential	\$509	7.13%	\$0	0.00%
Commercial	\$13,795	21.53%	\$0	0.00%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$14,304	19.34%	\$0	0.00%
Total (Taxable + PIL)	\$233,560	1.38%	\$402,587	2.24%



Local Results Table
2022 Notional Municipal Levies

<i>Kincardine</i>	Start	Local Notional		Upper-Tier Notional	
Realty Tax Class	Ratio	Rate	Levy	Rate	Levy
<i>Taxable</i>					
Residential	1.000000	0.00772018	\$12,882,849	0.00438773	\$7,321,910
Farm	0.250000	0.00193005	\$1,165,574	0.00109693	\$662,445
Managed Forest	0.250000	0.00193005	\$10,121	0.00109693	\$5,752
Multi-Residential	1.000000	0.00772018	\$213,630	0.00438773	\$121,416
Commercial	1.233100	0.00951975	\$2,590,101	0.00541051	\$1,472,073
Industrial	1.747700	0.01349256	\$1,449,011	0.00766844	\$823,540
Sub-Total: Taxable			\$18,311,286	\$10,407,136	
<i>Payment In Lieu</i>					
Residential	1.000000	0.00772018	\$8,008	0.00438773	\$4,551
Commercial	1.233100	0.00951975	\$81,533	0.00541051	\$46,339
Landfill	1.223945	0.00944908	\$2,898	0.00537034	\$1,647
Sub-Total: Payment In Lieu			\$92,439	\$52,537	
Total (Taxable + PIL)			\$18,403,725	\$10,459,673	



Local Results Table
2022 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Northern Bruce Peninsula</i>		2022 Full CVA		Full CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	1,542,801,567	1,558,307,799	15,506,232	1.01%	
Farm	98,001,100	101,705,900	3,704,800	3.78%	
Managed Forest	5,755,200	6,320,500	565,300	9.82%	
New Multi-Residential	1,078,000	1,078,000	0	0.00%	
Multi-Residential	6,901,200	6,901,200	0	0.00%	
Commercial	38,925,951	40,612,319	1,686,368	4.33%	
Industrial	2,789,800	2,867,700	77,900	2.79%	
Sub-Total: Taxable	1,696,252,818	1,717,793,418	21,540,600	1.27%	
<i>Payment In Lieu</i>					
Residential	18,290,700	18,272,700	-18,000	-0.10%	
Commercial	74,794,000	74,765,500	-28,500	-0.04%	
Landfill	371,700	371,700	0	0.00%	
Sub-Total: Payment In Lieu	93,456,400	93,409,900	-46,500	-0.05%	
Total (Taxable + PIL)	1,789,709,218	1,811,203,318	21,494,100	1.20%	

Local Results Table
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Northern Bruce Peninsula</i>		2021 Full CVA Growth		2022 Full CVA Growth	
Realty Tax Class	\$	%	\$	%	
<i>Taxable</i>					
Residential	28,286,750	1.87%	15,506,232	1.01%	
Farm	-4,665,900	-4.54%	3,704,800	3.78%	
Managed Forest	13,500	0.24%	565,300	9.82%	
New Multi-Residential	0	0.00%	0	0.00%	
Multi-Residential	0	0.00%	0	0.00%	
Commercial	800,050	2.10%	1,686,368	4.33%	
Industrial	-274,000	-8.94%	77,900	2.79%	
Sub-Total: Taxable	24,160,400	1.44%	21,540,600	1.27%	
<i>Payment In Lieu</i>					
Residential	662,000	3.76%	-18,000	-0.10%	
Commercial	66,100	0.09%	-28,500	-0.04%	
Landfill	0	0.00%	0	0.00%	
Sub-Total: Payment In Lieu	728,100	0.79%	-46,500	-0.05%	
Total (Taxable + PIL)	24,888,500	1.41%	21,494,100	1.20%	



Local Results Table
2022 Local Revenue Growth
(Annualized)

<i>Northern Bruce Peninsula</i>		2022 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	\$6,768,733	\$6,836,764	\$68,030	1.01%	
Farm	\$107,491	\$111,554	\$4,064	3.78%	
Managed Forest	\$6,312	\$6,933	\$620	9.82%	
New Multi-Residential	\$4,730	\$4,730	\$0	0.00%	
Multi-Residential	\$30,278	\$30,278	\$0	0.00%	
Commercial	\$210,588	\$219,713	\$9,124	4.33%	
Industrial	\$21,391	\$21,989	\$598	2.80%	
Sub-Total: Taxable	\$7,149,523	\$7,231,961	\$82,436	1.15%	
<i>Payment In Lieu</i>					
Residential	\$80,247	\$80,168	-\$79	-0.10%	
Commercial	\$404,634	\$404,480	-\$154	-0.04%	
Landfill	\$1,996	\$1,996	\$0	0.00%	
Sub-Total: Payment In Lieu	\$486,877	\$486,644	-\$233	-0.05%	
Total (Taxable + PIL)	\$7,636,400	\$7,718,605	\$82,203	1.08%	

Local Results Table
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Northern Bruce Peninsula</i>	2021 Local Annualized Revenue Growth		2022 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$118,396	1.87%	\$68,030	1.01%
Farm	-\$4,883	-4.55%	\$4,064	3.78%
Managed Forest	\$14	0.23%	\$620	9.82%
New Multi-Residential	\$0	0.00%	\$0	0.00%
Multi-Residential	\$0	0.00%	\$0	0.00%
Commercial	\$3,915	2.01%	\$9,124	4.33%
Industrial	-\$2,005	-8.95%	\$598	2.80%
Sub-Total: Taxable	\$115,437	1.72%	\$82,436	1.15%
<i>Payment In Lieu</i>				
Residential	\$2,770	3.75%	-\$79	-0.10%
Commercial	\$341	0.09%	-\$154	-0.04%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$3,111	0.68%	-\$233	-0.05%
Total (Taxable + PIL)	\$118,548	1.66%	\$82,203	1.08%



Local Results Table
2022 Notional Municipal Levies

<i>Northern Bruce Peninsula</i>	Start	Local Notional		Upper-Tier Notional	
Realty Tax Class	Ratio	Rate	Levy	Rate	Levy
<i>Taxable</i>					
Residential	1.000000	0.00438730	\$6,836,764	0.00438773	\$6,837,434
Farm	0.250000	0.00109683	\$111,554	0.00109693	\$111,564
Managed Forest	0.250000	0.00109683	\$6,933	0.00109693	\$6,933
New Multi-Residential	1.000000	0.00438730	\$4,730	0.00438773	\$4,730
Multi-Residential	1.000000	0.00438730	\$30,278	0.00438773	\$30,281
Commercial	1.233100	0.00540998	\$219,713	0.00541051	\$219,734
Industrial	1.747700	0.00766768	\$21,989	0.00766844	\$21,991
Sub-Total: Taxable			\$7,231,961		\$7,232,667
<i>Payment In Lieu</i>					
Residential	1.000000	0.00438730	\$80,168	0.00438773	\$80,176
Commercial	1.233100	0.00540998	\$404,480	0.00541051	\$404,520
Landfill	1.223945	0.00536981	\$1,996	0.00537034	\$1,996
Sub-Total: Payment In Lieu			\$486,644		\$486,692
Total (Taxable + PIL)			\$7,718,605		\$7,719,359



Local Results Table
2022 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Saugeen Shores</i>		2022 Full CVA		Full CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	2,628,555,715	2,696,327,108	67,771,393	2.58%	
Farm	134,409,200	135,281,900	872,700	0.65%	
Managed Forest	4,540,900	4,652,200	111,300	2.45%	
New Multi-Residential	11,228,000	12,528,000	1,300,000	11.58%	
Multi-Residential	50,807,500	53,641,500	2,834,000	5.58%	
Commercial	161,618,094	170,597,301	8,979,207	5.56%	
Industrial	2,964,800	3,576,100	611,300	20.62%	
Pipeline	5,933,000	6,002,000	69,000	1.16%	
Sub-Total: Taxable	3,000,057,209	3,082,606,109	82,548,900	2.75%	
<i>Payment In Lieu</i>					
Residential	4,387,900	4,387,900	0	0.00%	
Commercial	8,743,900	8,644,000	-99,900	-1.14%	
Landfill	532,800	532,800	0	0.00%	
Sub-Total: Payment In Lieu	13,664,600	13,564,700	-99,900	-0.73%	
Total (Taxable + PIL)	3,013,721,809	3,096,170,809	82,449,000	2.74%	



Local Results Table
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

Saugeen Shores

Realty Tax Class	2021 Full CVA Growth		2022 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	64,979,810	2.53%	67,771,393	2.58%
Farm	-1,839,100	-1.35%	872,700	0.65%
Managed Forest	428,800	10.43%	111,300	2.45%
New Multi-Residential	3,062,000	37.50%	1,300,000	11.58%
Multi-Residential	455,800	0.91%	2,834,000	5.58%
Commercial	318,890	0.20%	8,979,207	5.56%
Industrial	60,000	2.07%	611,300	20.62%
Pipeline	147,000	2.54%	69,000	1.16%
Sub-Total: Taxable	67,613,200	2.31%	82,548,900	2.75%
<i>Payment In Lieu</i>				
Residential	164,000	3.88%	0	0.00%
Commercial	248,400	2.92%	-99,900	-1.14%
Landfill	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	412,400	3.11%	-99,900	-0.73%
Total (Taxable + PIL)	68,025,600	2.31%	82,449,000	2.74%



Local Results Table
2022 Local Revenue Growth
(Annualized)

<i>Saugeen Shores</i>		2022 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	\$17,231,182	\$17,675,449	\$444,267	2.58%	
Farm	\$220,277	\$221,707	\$1,430	0.65%	
Managed Forest	\$7,442	\$7,624	\$182	2.45%	
New Multi-Residential	\$73,604	\$82,126	\$8,522	11.58%	
Multi-Residential	\$333,062	\$351,640	\$18,578	5.58%	
Commercial	\$1,306,429	\$1,379,011	\$72,584	5.56%	
Industrial	\$33,967	\$40,971	\$7,004	20.62%	
Pipeline	\$39,531	\$39,991	\$460	1.16%	
Sub-Total: Taxable	\$19,245,494	\$19,798,519	\$553,027	2.87%	
<i>Payment In Lieu</i>					
Residential	\$28,764	\$28,764	\$0	0.00%	
Commercial	\$70,681	\$69,874	-\$808	-1.14%	
Landfill	\$4,275	\$4,275	\$0	0.00%	
Sub-Total: Payment In Lieu	\$103,720	\$102,913	-\$808	-0.78%	
Total (Taxable + PIL)	\$19,349,214	\$19,901,432	\$552,219	2.85%	



Local Results Table
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Saugeen Shores</i>	2021 Local Annualized Revenue Growth		2022 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$407,680	2.53%	\$444,267	2.58%
Farm	-\$2,885	-1.35%	\$1,430	0.65%
Managed Forest	\$672	10.42%	\$182	2.45%
New Multi-Residential	\$19,211	37.50%	\$8,522	11.58%
Multi-Residential	\$2,860	0.91%	\$18,578	5.58%
Commercial	\$3,450	0.28%	\$72,584	5.56%
Industrial	\$658	2.07%	\$7,004	20.62%
Pipeline	\$938	2.54%	\$460	1.16%
Sub-Total: Taxable	\$432,584	2.41%	\$553,027	2.87%
<i>Payment In Lieu</i>				
Residential	\$1,028	3.88%	\$0	0.00%
Commercial	\$1,921	2.92%	-\$808	-1.14%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$2,949	3.06%	-\$808	-0.78%
Total (Taxable + PIL)	\$435,533	2.41%	\$552,219	2.85%



Local Results Table
2022 Notional Municipal Levies

<i>Saugeen Shores</i>	Start	Local Notional		Upper-Tier Notional	
Realty Tax Class	Ratio	Rate	Levy	Rate	Levy
<i>Taxable</i>					
Residential	1.000000	0.00655538	\$17,675,449	0.00438773	\$11,830,755
Farm	0.250000	0.00163885	\$221,707	0.00109693	\$148,395
Managed Forest	0.250000	0.00163885	\$7,624	0.00109693	\$5,103
New Multi-Residential	1.000000	0.00655538	\$82,126	0.00438773	\$54,969
Multi-Residential	1.000000	0.00655538	\$351,640	0.00438773	\$235,364
Commercial	1.233100	0.00808344	\$1,379,011	0.00541051	\$923,018
Industrial	1.747700	0.01145684	\$40,971	0.00766844	\$27,423
Pipeline	1.016400	0.00666289	\$39,991	0.00445969	\$26,767
Sub-Total: Taxable			\$19,798,519	\$13,251,794	
<i>Payment In Lieu</i>					
Residential	1.000000	0.00655538	\$28,764	0.00438773	\$19,253
Commercial	1.233100	0.00808344	\$69,874	0.00541051	\$46,768
Landfill	1.223945	0.00802343	\$4,275	0.00537034	\$2,861
Sub-Total: Payment In Lieu			\$102,913	\$68,882	
Total (Taxable + PIL)			\$19,901,432	\$13,320,676	



Local Results Table
2022 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>South Bruce</i>		2022 Full CVA		Full CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	466,616,286	490,849,086	24,232,800	5.19%	
Farm	728,759,293	719,614,739	-9,144,554	-1.25%	
Managed Forest	1,617,300	1,657,600	40,300	2.49%	
Multi-Residential	5,367,000	5,367,000	0	0.00%	
Commercial	22,540,972	24,560,012	2,019,040	8.96%	
Industrial	9,039,949	8,530,049	-509,900	-5.64%	
Pipeline	3,279,000	3,300,000	21,000	0.64%	
Sub-Total: Taxable	1,237,219,800	1,253,878,486	16,658,686	1.35%	
<i>Payment In Lieu</i>					
Residential	134,200	134,200	0	0.00%	
Commercial	2,370,500	2,370,500	0	0.00%	
Landfill	140,700	140,700	0	0.00%	
Sub-Total: Payment In Lieu	2,645,400	2,645,400	0	0.00%	
Total (Taxable + PIL)	1,239,865,200	1,256,523,886	16,658,686	1.34%	



Local Results Table
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

South Bruce

Realty Tax Class	2021 Full CVA Growth		2022 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	12,205,886	2.69%	24,232,800	5.19%
Farm	3,461,865	0.48%	-9,144,554	-1.25%
Managed Forest	264,700	19.57%	40,300	2.49%
Multi-Residential	0	0.00%	0	0.00%
Commercial	3,454,700	18.10%	2,019,040	8.96%
Industrial	356,849	4.11%	-509,900	-5.64%
Pipeline	106,000	3.34%	21,000	0.64%
Sub-Total: Taxable	19,850,000	1.63%	16,658,686	1.35%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	-12,900	-0.54%	0	0.00%
Landfill	75,000	114.16%	0	0.00%
Sub-Total: Payment In Lieu	62,100	2.40%	0	0.00%
Total (Taxable + PIL)	19,912,100	1.63%	16,658,686	1.34%



Local Results Table
2022 Local Revenue Growth
(Annualized)

<i>South Bruce</i>		2022 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	\$3,782,943	\$3,979,404	\$196,461	5.19%	
Farm	\$1,477,057	\$1,458,522	-\$18,534	-1.25%	
Managed Forest	\$3,278	\$3,360	\$82	2.50%	
Multi-Residential	\$43,512	\$43,512	\$0	0.00%	
Commercial	\$225,344	\$245,528	\$20,184	8.96%	
Industrial	\$128,086	\$120,863	-\$7,224	-5.64%	
Pipeline	\$27,020	\$27,193	\$173	0.64%	
Sub-Total: Taxable	\$5,687,240	\$5,878,382	\$191,142	3.36%	
<i>Payment In Lieu</i>					
Residential	\$1,088	\$1,088	\$0	0.00%	
Commercial	\$23,698	\$23,698	\$0	0.00%	
Landfill	\$1,396	\$1,396	\$0	0.00%	
Sub-Total: Payment In Lieu	\$26,182	\$26,182	\$0	0.00%	
Total (Taxable + PIL)	\$5,713,422	\$5,904,564	\$191,142	3.35%	



Local Results Table
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>South Bruce</i>	2021 Local Annualized Revenue Growth		2022 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$95,427	2.69%	\$196,461	5.19%
Farm	\$6,766	0.48%	-\$18,534	-1.25%
Managed Forest	\$517	19.55%	\$82	2.50%
Multi-Residential	\$0	0.00%	\$0	0.00%
Commercial	\$33,465	18.25%	\$20,184	8.96%
Industrial	\$5,956	5.07%	-\$7,224	-5.64%
Pipeline	\$842	3.34%	\$173	0.64%
Sub-Total: Taxable	\$142,973	2.68%	\$191,142	3.36%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	-\$125	-0.54%	\$0	0.00%
Landfill	\$717	113.99%	\$0	0.00%
Sub-Total: Payment In Lieu	\$592	2.40%	\$0	0.00%
Total (Taxable + PIL)	\$143,565	2.68%	\$191,142	3.35%



Local Results Table
2022 Notional Municipal Levies

<i>South Bruce</i>					
Realty Tax Class	Start Ratio	Local Rate	Notional Levy	Upper-Tier Rate	Notional Levy
<i>Taxable</i>					
Residential	1.000000	0.00810725	\$3,979,404	0.00438773	\$2,153,696
Farm	0.250000	0.00202681	\$1,458,522	0.00109693	\$789,367
Managed Forest	0.250000	0.00202681	\$3,360	0.00109693	\$1,818
Multi-Residential	1.000000	0.00810725	\$43,512	0.00438773	\$23,549
Commercial	1.233100	0.00999704	\$245,528	0.00541051	\$132,882
Industrial	1.747700	0.01416903	\$120,863	0.00766844	\$65,412
Pipeline	1.016400	0.00824020	\$27,193	0.00445969	\$14,717
Sub-Total: Taxable			\$5,878,382	\$3,181,441	
<i>Payment In Lieu</i>					
Residential	1.000000	0.00810725	\$1,088	0.00438773	\$589
Commercial	1.233100	0.00999704	\$23,698	0.00541051	\$12,826
Landfill	1.223945	0.00992282	\$1,396	0.00537034	\$756
Sub-Total: Payment In Lieu			\$26,182	\$14,171	
Total (Taxable + PIL)			\$5,904,564	\$3,195,612	



Local Results Table
2022 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>South Bruce Peninsula</i>		2022 Full CVA		Full CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	1,796,907,336	1,816,091,308	19,183,972	1.07%	
Farm	134,376,964	138,592,241	4,215,277	3.14%	
Managed Forest	11,839,900	11,673,400	-166,500	-1.41%	
New Multi-Residential	3,220,000	3,220,000	0	0.00%	
Multi-Residential	9,373,400	9,730,400	357,000	3.81%	
Commercial	72,372,900	73,104,551	731,651	1.01%	
Industrial	10,322,800	10,590,200	267,400	2.59%	
Pipeline	3,192,000	3,207,000	15,000	0.47%	
Sub-Total: Taxable	2,041,605,300	2,066,209,100	24,603,800	1.21%	
<i>Payment In Lieu</i>					
Residential	5,187,100	5,187,100	0	0.00%	
Commercial	6,184,600	6,184,600	0	0.00%	
Landfill	90,800	90,800	0	0.00%	
Sub-Total: Payment In Lieu	11,462,500	11,462,500	0	0.00%	
Total (Taxable + PIL)	2,053,067,800	2,077,671,600	24,603,800	1.20%	

Local Results Table
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

South Bruce Peninsula

Realty Tax Class	2021 Full CVA Growth		2022 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	21,188,536	1.19%	19,183,972	1.07%
Farm	-2,839,436	-2.07%	4,215,277	3.14%
Managed Forest	394,000	3.44%	-166,500	-1.41%
New Multi-Residential	1,680,000	109.09%	0	0.00%
Multi-Residential	0	0.00%	357,000	3.81%
Commercial	357,300	0.50%	731,651	1.01%
Industrial	902,100	9.58%	267,400	2.59%
Pipeline	141,000	4.62%	15,000	0.47%
Sub-Total: Taxable	21,823,500	1.08%	24,603,800	1.21%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	0	0.00%	0	0.00%
Landfill	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	0	0.00%	0	0.00%
Total (Taxable + PIL)	21,823,500	1.07%	24,603,800	1.20%



Local Results Table
2022 Local Revenue Growth
(Annualized)

<i>South Bruce Peninsula</i>		2022 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%	
<i>Taxable</i>					
Residential	\$10,317,465	\$10,427,615	\$110,150	1.07%	
Farm	\$192,891	\$198,942	\$6,051	3.14%	
Managed Forest	\$16,996	\$16,757	-\$239	-1.41%	
New Multi-Residential	\$18,489	\$18,489	\$0	0.00%	
Multi-Residential	\$53,820	\$55,870	\$2,050	3.81%	
Commercial	\$512,413	\$517,594	\$5,181	1.01%	
Industrial	\$103,589	\$106,272	\$2,683	2.59%	
Pipeline	\$18,628	\$18,716	\$88	0.47%	
Sub-Total: Taxable	\$11,234,291	\$11,360,255	\$125,964	1.12%	
<i>Payment In Lieu</i>					
Residential	\$29,783	\$29,783	\$0	0.00%	
Commercial	\$43,789	\$43,789	\$0	0.00%	
Landfill	\$638	\$638	\$0	0.00%	
Sub-Total: Payment In Lieu	\$74,210	\$74,210	\$0	0.00%	
Total (Taxable + PIL)	\$11,308,501	\$11,434,465	\$125,964	1.11%	



Local Results Table
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>South Bruce Peninsula</i>		2021 Local Annualized Revenue Growth		2022 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%	
<i>Taxable</i>					
Residential	\$119,621	1.19%	\$110,150	1.07%	
Farm	-\$4,008	-2.07%	\$6,051	3.14%	
Managed Forest	\$556	3.44%	-\$239	-1.41%	
New Multi-Residential	\$9,485	109.10%	\$0	0.00%	
Multi-Residential	\$0	0.00%	\$2,050	3.81%	
Commercial	\$2,943	0.59%	\$5,181	1.01%	
Industrial	\$8,640	9.30%	\$2,683	2.59%	
Pipeline	\$809	4.62%	\$88	0.47%	
Sub-Total: Taxable	\$138,046	1.27%	\$125,964	1.12%	
<i>Payment In Lieu</i>					
Residential	\$0	0.00%	\$0	0.00%	
Commercial	\$0	0.00%	\$0	0.00%	
Landfill	\$0	0.00%	\$0	0.00%	
Sub-Total: Payment In Lieu	\$0	0.00%	\$0	0.00%	
Total (Taxable + PIL)	\$138,046	1.26%	\$125,964	1.11%	



Local Results Table
2022 Notional Municipal Levies

<i>South Bruce Peninsula</i> Realty Tax Class	Start Ratio	Local Notional		Upper-Tier Notional	
		Rate	Levy	Rate	Levy
<i>Taxable</i>					
Residential	1.000000	0.00574179	\$10,427,615	0.00438773	\$7,968,518
Farm	0.250000	0.00143545	\$198,942	0.00109693	\$152,026
Managed Forest	0.250000	0.00143545	\$16,757	0.00109693	\$12,805
New Multi-Residential	1.000000	0.00574179	\$18,489	0.00438773	\$14,128
Multi-Residential	1.000000	0.00574179	\$55,870	0.00438773	\$42,694
Commercial	1.233100	0.00708020	\$517,594	0.00541051	\$395,533
Industrial	1.747700	0.01003492	\$106,273	0.00766844	\$81,211
Pipeline	1.016400	0.00583595	\$18,716	0.00445969	\$14,302
Sub-Total: Taxable			\$11,360,256		\$8,681,217
<i>Payment In Lieu</i>					
Residential	1.000000	0.00574179	\$29,783	0.00438773	\$22,760
Commercial	1.233100	0.00708020	\$43,789	0.00541051	\$33,462
Landfill	1.223945	0.00702763	\$638	0.00537034	\$488
Sub-Total: Payment In Lieu			\$74,210		\$56,710
Total (Taxable + PIL)			\$11,434,466		\$8,737,927

