Shelburne residents get tax break ? sort of

By Peter Richardson

The ratepayers of Shelburne dodged a bullet last night, thanks to Council deciding to leave the tax rate as it had been proposed, rather than adjusting it upwards with the new assessment data.

Previously, Treasurer Carol Sweeney and the Tax Department had prepared the Draft Budget based upon the projected assessment values for 2017. However, when the actual Assessment Rolls were received, they were substantially higher than projected. So, the treasurer brought the revised figures back to Council for further deliberations, before drafting the 2017 Budget Bylaw.

When all the numbers were plugged in, the assessment-driven rate increase would have been 4.5%, resulting in a tax increase of $93 for an average home assessment of $292,209 compared to the previous estimate of $279,679.

This would have been an increase of $34 over the previously reported increase of $59.

The new assessment values provided the Town with increased revenues of some $220,985 over the draft budget predictions.

The dilemma, which faced Council on Monday, was whether or not to use the new assessment increases, or stay with the original figures and leave, in essence, $95,000 on the table. With numerous, expensive, capital projects being necessary for 2017, this sparked much debate.

Treasury gave Council three options for proceeding: the first was to accept the new rate and thus place $220,986 into the Towns Reserves for 2017 projects. Option Two was to accept a 3.4% increase and therefore place $157,000 in Reserves and see the tax increase reduced to $71 from $93. Finally, option three was to accept the original 2.8% increase, thereby placing only $125,189 into Reserves for the coming year and seeing the new tax increase rise only $1, to $60 from the previously mentioned, $59.

A great deal of pro and con discussion was heard, with some Councillors expressing the belief that a tax increase of $93, generated solely by an increase in the value of the tax payers home, was not an exorbitant burden for the ratepayers to bear.

Others argued that lower income and fixed income homeowners could find any increase a burdensome one and so should be kept to a minimum.

The increase to the Town's Reserves, although a much needed and positive result of the actual Assessment Roll figures, had to be weighed, in the eyes of some, against the impact to the ratepayers of Shelburne.

In the end, Council was unanimous in its decision to keep the rate increase at 2.8% for the incoming year and to forego the additional $95,000 in increased revenue that would be generated by the increased assessment values.

By adopting the third scenario, as laid out by the Treasury Department, the property owners of Shelburne will see their assessment driven tax increase for 2017 set at $60 for an average home, or 2.8%.