

Zero doesn't really mean zero

As I read the Feb. 8 edition of the King Weekly Sentinel, I did so with a great deal of skepticism and incredulity. There were three separate articles dealing with the topic of the Township of King's 2018 property taxes. The themes were old ones ? how the current council and staff are all doing a wonderful job when it comes to the fiscal affairs of the Township and how the Province of Ontario is causing problems via the agency responsible for property assessments (MPAC). With respect to my skepticism, one of the three articles had the headline ?No increase in King's 2018 budget.? Well there was an article in the June 15, 2017 edition with the headline ?Zero tax increase in King's amended 2017 budget.? When we received the final tax assessment for our house, it was really an 18.6% increase in the Township of King's portion of our 2017 property taxes. Zero = 18.6%?

After a little digging, I determined that ?zero tax increase? for 2017 really meant that council, in its infinite wisdom, had not adjusted the residential mill rate relative to what was applied in 2016. They simply let the increased MPAC property assessments do the dirty work for them and declared the zero tax increase strictly based on no change to the residential mill rate. I would not go as far as to call the positioning sneaky but it definitely was not as transparent as it should have been.

A fiscally responsible council would have decreased the residential mill rate for 2017 to bring the increase of the Township's portion of the property taxes for individual properties to be roughly equal to the projected annual inflation rate (which came in at 1.6%). So based on 2017, I anticipate that the headline ?No increase in King's 2018 budget? really means another 18.6% increase? Only time and the final tax assessment for 2018 will tell.

As for the incredulity, it really comes down to some simple yet outrageous numbers. The current council's mandate covers tax years 2015 to 2018 inclusive. During the first three years of this mandate, council has approved annual budgets that have resulted in an increase in the Township's portion of the property taxes for our house of 36.7%. Yes, the Township's portion of our 2017 property taxes was 36.7% higher than it was in 2014. During the same time period, annual inflation resulted in a compounded increase in the cost of living of 4.2%. And for a couple of other rather interesting comparisons for the same three years, York Region's portion of our property taxes went up 4.6% and the York Region District School Board's portion went up 3.3%.

A zero tax increase for 2018 (if it truly turns out to be zero)?may be just fine in isolation, but when you consider council's full four year mandate, the term fiscal irresponsibility comes to mind. I consider any property tax increase above the annual rate of inflation to be troubling. I honestly do not have any socially acceptable words to describe the increase inflicted during the past three years. The burden of this increase will continue year after year as the previous year's budget becomes the baseline for the current year. A zero increase for 2018 still means we are paying 36.7% more than we did in 2014.

Oh yeah, 2018 is a municipal election year. Things that make you go hmmm.

Ross Hamilton