
Staff Report To Council

From: Christine Walker, Director of Corporate Services/Treasurer
Date: June 2, 2025
Report: DCS-09-25
Subject **2025 Final Blended Tax Rates**

Recommendation

That Report DCS 09-25 2025 Final Blended Tax Rates be received; and

That a by-law confirming the 2025 municipal budget and the applicable tax rates be presented for council's consideration.

Background

At the December 16, 2024, budget meeting, council approved a 2025 budget levy from taxes totaling \$9,801,000, an increase of \$698,600 (7.7%) over the 2024 levy. This increased levy breakdown is as follows:

Amount	Organization	Percent of Levy Increase
379,400	Police Services	4.20%
79,400	Library/Other Board Org.	0.87%
239,800	Town Portion 4.235% Council Directives (Firehall, Police Station, Splashpad) -1.601% Town Depts	2.63%
\$698,600	TOTAL of ALL	7.70%

The 2025 tax ratios approved by County of Grey have changed from the 2024 rates, wherein the multi-residential ratio has been reduced from 1.2206000 to 1.10300. This results in an impact of approximately \$7.53 for every \$100,000 of assessment to the residential ratepayer on the town's portion.

The other ratios remained the same as 2024 and are:

Residential 1.000000, Commercial 1.296900, Industrial 1.831000, Pipeline 0.906848, Farm 0.218000 and Managed Forest 0.250000.

Based on the average household assessment of \$219,944 and the 2025 tax ratio changes impact, this levy results in an increase of \$176.21 (7.66% over 2024).

Year	Assessment		Tax Rate		Taxes	
2024	219,944	X	.01045660	=	\$2,299.87	
2025	219,944	X	.01125783	=	\$2,476.08	
Difference	0% increase	0% Incr.	.00080123 Increase	7.66% Increase	\$176.21 Increase	7.66% increase

Based on the previous tax ratios, this amount was to be \$159.66 (6.94%), however, with the change to the multi-residential tax ratio, this has impacted the residential tax rate and increased the residential taxes by an additional amount of \$16.55.

For every \$100,000 of assessment, the Town increase will be \$80.12 in 2025 over the 2024 taxes.

Year	Assessment		Tax Rate		Taxes	
2024	100,000	X	.01045660	=	\$1,045.66	
2025	100,000	X	.01125783	=	\$1,125.78	
Difference	0% increase	0% Incr.	.00080123 Increase	7.66% Increase	\$80.12 Increase	7.66% increase

Based on the previous tax ratios, this amount was to be \$72.59 (6.94%), however with the change to the multi-residential tax ratio, this has impacted the residential tax rate and increased the residential taxes by an additional amount of \$7.53.

Discussion

Ontario Regulation 400/98 under the *Education Act* was updated November 1, 2024, and has provided the 2025 education tax rates. The county rates were approved by County Council on April 10, 2025. This has allowed staff to calculate the blended tax rates for council's information and to provide the amounts to be collected for county and school board purposes for inclusion in our upcoming bylaw.

Financial Implications

The blended tax rate in 2024 was 0.01602879. The blended tax rate in 2025 is 0.01696563. The following tables indicates the blended taxes for an average household.

Breakdown by Tax Rate for average Household Assessment (Table 1)

Year	Assessment	Town Rate	County Rate	Education Rate	Total Tax Rate	TAXES
2023	219,944	0.01045660	0.00404219	0.00153000	0.01602879	\$3,525.44
2024	219,944	0.01125783	0.00417780	0.00153000	0.01696563	\$3,731.48
	0% increase	0.00080123 7.66% increase	0.00013561 3.36% increase	0.00000000 0% increase	0.00093684 5.84% increase	5.84% increase
		\$176.21	\$29.82	0.00		\$206.04
Percentage Over 2024 Taxes		7.66%	3.36%	0%	5.84%	5.84%

Approximately \$17.17/month or \$0.56 per day increase.

Breakdown by Tax Rate for every \$100,000 of assessment (Table 2)

Year	Assessment	Town Rate	County Rate	Education Rate	Total Tax Rate	TAXES
2023	100,000	0.01045660	0.00404219	0.00153000	0.01602879	\$1,602.88
2024	100,000	0.01125783	0.00417780	0.00153000	0.01696563	\$1,696.56
	0% increase	0.00080123 7.66% increase	0.00013561 3.36% increase	0.00000000 0% increase	0.00093684 5.84% increase	5.84% increase
		\$80.12	13.56	0.00		\$93.68
Percentage Over 2024 Taxes		7.66%	3.36%	0%	5.84%	5.84%

Approximately \$7.80/month or 0.26 per day increase for every \$100,000 in assessment.

The attached blended tax rate charts and pie graphs provide the details of the individual tax rates and assessments.

Link to Strategic Plan

This report supports the indicated Strategic Goals and Action Plans of the Town of Hanover.

☒ **Goal 1: Safe and Reliable Infrastructure**

Build, maintain and continuously improve our municipally owned properties, buildings, and equipment.

☒ **Goal 2: Healthy and Welcoming Community**

Care for our natural environment and provide an enviable quality of life for everyone who calls Hanover “home”.

☒ **Goal 3: Strong and Vibrant Economy**

Refresh downtown Hanover and retain and attract local economic investment and jobs.

☒ **Goal 4: Balanced Growth**

Work together to create a community we can all be proud of.

☒ **Goal 5: Open and Responsible Government**

Deliver services in a friendly, efficient and effective manner while providing an exceptional working environment for our employees.

Respectfully submitted,

Concurrence,

Christine Walker, CMO
Director of Corporate Services/Treasurer

Sherri Walden
CAO