

January 30th, 2012

# Town of Fogo Island

## Council Sets 2012 Budget and Tax Rates

At its regular meeting on January 24th, 2012 the Town Council passed its 2012 Budget.

This is the first full-year budget since amalgamation, and the first to incorporate property tax assessment for all communities on Fogo Island.

Council's overall revenues and expenses are projected at \$4,440,694.

Revenues	
TAXES	\$ 1,341,079
SALES OF GOODS AND SERVICES	\$ 110,000
OTHER REVENUE FROM OWN SOURCES	\$ 13,000
GOVERNMENT TRANSFERS	\$ 2,581,561
OTHER TRANSFERS	\$ 395,053
<b>TOTAL REVENUES</b>	<b>\$ 4,440,694</b>
Expenditures	
GENERAL GOVERNMENT	\$ 482,167
PROTECTIVE SERVICES	\$ 89,500
TRANSPORTATION SERVICES	\$ 265,370
ENVIRONMENTAL HEALTH .	\$ 498,151
PLANNING AND DEVELOPMENT .	\$ 96,504
RECREATIONAL AND CULTURAL SERVICES .	\$ 332,805
FISCAL SERVICES .	\$ 2,676,197
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,440,694</b>

The change to property tax for previously un-assessed properties presented some unique budgeting challenges, as the Town tried to balance tax rates across the whole Island. It is hoped that everyone will be pleased with the new structure, which provides consistent rates for everyone.

The Council has also had to deal with the new costs of garbage collection and waste disposal, but has managed to effect savings in other areas to compensate.

One of the largest factors that allowed flexibility in budgeting was the repayment of nearly \$4.8 million in loans for the previous Councils, in combination with other contributions towards amalgamation costs and related expenses. This has provided significant savings that can be applied towards operations and capital expenditures.

The Town of Fogo Island continues to harmonize its policies and operations across the new municipality.

### 2012 Tax Rates

**Residential Property Tax 9 mils, minimum \$225.00**

**Commercial Property Tax 16 mils, minimum \$250.00**

**Business Tax Rates: minimum \$250.00**

Class	Mil Rate
Fishing Enterprise	5
Personal Care Homes	5
Consumer Services	5
Daycares	5
Personal Services	6
Funeral Homes	12
Convenience Store	12
Auto Repair/Service	10
Light manufacturing	10
Business Offices	10
Restaurant, Lounge, Takeout	10
Contractors & Road transport	10
Accommodations	5
Retail Grocery	12
Retail General	12
Retail-Building supply	12
Retail-Pharmacy	12
Taxis, Boat Tours, Bus Companies	12
Utility-Fuel and related	15
Financial Institutions	175

**Businesses with no fixed address will be charged on gross revenue at a rate of 2.5%.**

**Residential Water Tax \$325.00 per unit**

**Water only 60% of rate, Sewer only 40% of rate**

**Subsidiary Apartments \$325.00 per year**

**Apartment building up to 20 units \$325 per unit.**

**Cottages and vacation homes pay residential rate.**

**Commercial Water Tax \$350.00 per unit**

**Institutional: \$3,500 per year**

**Water only 60% of rate; Sewer only 40% of rate**

**Senior care residences: \$350 per 4 resident units or portion thereof**

**Bed & Breakfast's: \$350 per year for every 6 bed-rooms or portion thereof**

**Hotels, motels and efficiency units: \$350 per year for every four units or portion thereof**

## Town of Fogo Island

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**Amalgamated March 1, 2011**

### Senior Citizens' Discount

A discount of 15% will be available on Residential Property Tax for Senior Citizens (65 and over as of January 1st) subject to the following conditions:

1. If property is in joint names, one owner must be over 65 years of age as of January 1st of current tax year;
2. All arrears, including Water and Sewer Tax, must be paid in full;
3. Current taxes must be paid by May 31st of current tax year;
4. Applies to permanent residence only – you must ordinarily reside at the address for more than six months each year;
5. A copy of birth certificate or other identification must be provided on request.

### BUDGET HIGHLIGHTS

- ◆ Senior Citizens Discount of 15% on principal residence
- ◆ Elimination of Poll Tax
- ◆ Exemption for small fishing enterprises
- ◆ Reduction in Water and Sewer rates
- ◆ Residential mil rate and minimum tax reduced

### Tax Due Dates, Interest and Collections

All taxes are due and payable when billed

All taxes will be billed for the full year

Interest, compounded monthly, will be charged on all previous years taxes and shall accrue on any unpaid current year's taxes unpaid as of June 30th, at the rate of one percent per month

Collection action\* will be taken on all accounts remaining unpaid as of August 31st of the current taxation year (if not being paid regularly or by payroll deduction)

\*Residents are reminded that water services may be discontinued for non-payment of taxes. Other action can include legal action to attach wages, attachments of rentals, and the sale of property.

For your convenience we now accept  
payment by Debit Card  
(sorry, no VISA or MasterCard)



Payments may be made at our Office by cash, cheque or Debit.,  
or by Mail by Cheque, Bank Draft, or Money Order.  
Your Employer may offer payroll deduction.

### Water Service Turn On and Off Fees

A new fee has been introduced.  
Call Public Works at **658-3490** to have your water service turned on or off.

- ◆ Turn on and off during regular working hours - \$25.00  
(Once each year the fee for above will be waived per household)
- ◆ Turn on and off after hours/holidays/weekends - \$75.00