

Township of North Dundas 2005 Budget & Tax Analysis

It is useful to realize that there was actually a downward trend in the municipal portion of your residential tax rate over the first four years since amalgamation. For example, in 1998 the municipal tax rate for a residential taxpayer was .431403 and in 2001 this rate was still only at .427304, a decrease of -.95% or approximately a negative 1% cumulative decrease over that four year period.

Typical tax bills for various classes of ratepayers on an assumed assessment of \$150,000 and comparing this year versus last year would result in the following :

			\$ Incr (Decr)	%age Incr (Decr)	Components of Your Tax Bill			
	2005	2004			Municipal	County	Education	Total
Residential	\$ 2,401.83	\$ 2,401.83	\$ -	0.00%	\$ 852.29	\$ 1,105.55	\$ 444.00	\$ 2,401.83
Farmland	\$ 600.46	\$ 600.46	\$ -	0.00%	\$ 213.07	\$ 276.39	\$ 111.00	\$ 600.46
Commercial	\$ 6,257.95	\$ 6,257.95	\$ -	0.00%	\$ 1,310.65	\$ 1,700.10	\$ 3,247.20	\$ 6,257.95
Industrial	\$ 6,927.13	\$ 6,852.59	\$ (74.53)	-1.09%	\$ 1,599.66	\$ 2,075.00	\$ 3,252.47	\$ 6,927.13
Large Industrial	\$ 13,909.24	\$ 13,759.58	\$ (149.66)	-1.09%	\$ 3,212.02	\$ 4,166.46	\$ 6,530.76	\$ 13,909.24
Multi-residential	\$ 5,800.81	\$ 5,800.81	\$ -	0.00%	\$ 2,331.94	\$ 3,024.87	\$ 444.00	\$ 5,800.81
Pipeline	\$ 4,548.63	\$ 4,548.63	\$ -	0.00%	\$ 1,051.72	\$ 1,364.24	\$ 2,132.67	\$ 4,548.63

Your individual tax bill will vary depending on your assessment but council has attempted to mitigate some of the assessment increases by freezing the municipal portion of the tax rate. In spite of this, our annual budget has increased over the previous year and due to a slight increase in the overall assessment values from last year previous year and consequently our tax levy has risen as well, from \$3,744,652 in 2003 to \$4,077,705 in 2004. For the year 2005, the amount of dollars to be raised from taxation was \$4,123,788.

These increases have been necessary in an attempt to keep pace with inflation and the rising cost of providing services. For example our insurance premiums alone have increased 104.5% in the years since 2001, and in fact they are up an additional 10% in 2004 over that paid in 2003. These dramatic increases are due at least in part to the events surrounding September 11th, but nonetheless they must be dealt with.

Gravel and calcium costs have also increased dramatically and they make up a large portion of our roads budget, which in turn makes up a significant portion of our overall annual budget.

In previous years a lot of these costs were subsidized by the municipality by drawing down reserves rather than passing the increased costs along to the taxpayers. This practice could not continue indefinitely as much needed reserves were being depleted at a greater rate than they were being replenished.

Comparison of Tax Rates Since Amalgamation Residential

	1998	1999	2000	2001	2002	2003	2004	2005	Cumulative Incr (Decr) To Date
Township	0.431403	0.418361	0.418335	0.427304	0.504964	0.583159	0.568192	0.568192	31.71%
County	0.623400	0.604500	0.604800	0.706500	0.741850	0.800180	0.737030	0.737030	18.23%
Education	0.460000	0.414000	0.414000	0.373000	0.373000	0.335000	0.296000	0.296000	-35.65%
Total	1.514803	1.436861	1.437135	1.506804	1.619814	1.718339	1.601222	1.601222	5.70%

%age increase (decrease) over previous year	-5.15%	0.02%	4.85%	7.50%	6.08%	-6.82%	6.49%
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Therefore, as can be seen, the overall increase in tax rates for a residential taxpayer stands at 6.49% since amalgamation in 1998. The municipal portion of your tax bill approximates 35.5% of the total rate being levied; for example for every \$1 received from a ratepayer, the municipality retains \$0.35 cents, the United Counties of SD&G receives \$0.46 cents and the School Boards receive \$0.19 cents. We levy and collect on behalf of the Counties a sum of \$5,349,173. In addition, the Province has dictated that we must levy and collect on behalf of the School Boards a further sum of \$3,694,606. These funds are collected by the municipality and then immediately remitted to the respective bodies requesting them.