

**Township of North Dundas
2010 Budget & Tax Analysis**

It is useful to realize that there has actually been a downward trend in the municipal portion of the residential tax rate for six of the last seven years. For example, in 2003 the municipal tax rate for a residential taxpayer was 0.583159 and in 2004 this rate was reduced to 0.568192, representing a decrease in the municipal tax rate of 2.57%. The rate continued to decrease and in 2006 the municipal tax rate was set at 0.535841, representing a decrease of 8.11% from the rate used in the 2003 year and a decrease from the 2005 year of 5.69%. This rate was maintained for the 2007 budget year and was only increased in 2008 to 0.549237/1000 or an increase of 2.5% over the 2006 fiscal year. For the 2009 fiscal year, the residential rate was decreased by 2.85% to a rate of 0.533571 and for the current year (2010) it has been decreased a further 2.54% to 0.520026. This represents an overall decrease since 2003 of 0.063133 or 10.8%.

The following chart depicts typical tax bills for various classes of ratepayers on an assumed assessment of \$150,000. Comparing this year's rate to last year's and ignoring any changes in assessment values, would result in the following estimated tax bills for the 2010 taxation year:

Taxation Summary Class	\$ Levy	Percent	Components of Your Tax Bill for 2010									
			2010	2009	\$ Incr (Decr)	%age Incr (Decr)	Municipal	County	Education	Total		
Residential	3,400,479	71.15%	\$ 2,107.84	\$ 2,177.36	\$ (69.52)	-3.19%	\$ 780.04	\$ 966.30	\$ 361.50	\$ 2,107.84		
Farmland	317,113	6.63%	\$ 526.96	\$ 544.34	\$ (17.38)	-3.19%	\$ 195.01	\$ 241.58	\$ 90.38	\$ 526.96		
Commercial	402,127	8.41%	\$ 5,722.23	\$ 5,866.16	\$ (143.93)	-2.45%	\$ 1,274.60	\$ 1,578.96	\$ 2,868.67	\$ 5,722.23		
Industrial	79,166	1.66%	\$ 6,906.96	\$ 6,980.37	\$ (73.41)	-1.05%	\$ 1,609.56	\$ 1,993.90	\$ 3,303.51	\$ 6,906.96		
Large Industrial	79,953	1.67%	\$ 10,910.51	\$ 11,231.47	\$ (320.96)	-2.86%	\$ 3,231.89	\$ 4,003.62	\$ 3,675.00	\$ 10,910.51		
Multi-residential	158,606	3.32%	\$ 4,866.51	\$ 5,022.27	\$ (155.76)	-3.10%	\$ 2,012.26	\$ 2,492.75	\$ 361.50	\$ 4,866.51		
Pipeline	342,153	7.16%	\$ 4,323.61	\$ 4,453.81	\$ (130.20)	-2.92%	\$ 1,066.99	\$ 1,321.77	\$ 1,934.85	\$ 4,323.61		
	\$ 4,779,598	100.00%										

Your individual tax bill may vary depending on your actual assessment. Although assessed values were frozen for 2006/07 and 2008 and municipal tax rates were decreased by 2.54% in 2010 (2.85% in 2009), individual assessed values may have increased or decreased depending on changes to your own particular property. Our municipal budget needs have increased over the previous year due to inflationary pressures and correspondingly, to keep our taxation rates as low as possible, while still providing the township with the necessary amount of dollars to carry out our budgeted expenditures, we are looking at a taxation levy in the amount of \$4,779,598. This represents an increase in our tax levy of \$205,308 over the previous year. It has also been necessary to draw down reserves by a net requirement of \$612,745.

Insurance premiums alone have increased 113.9% in the years since 2001. These dramatic increases are due, at least in part, to the events surrounding September 11th, but nonetheless they must be dealt with. The premium for 2010 is \$182,135 compared to \$85,131 in 2001. Premium costs are up 6.2% over the last two years.

Gravel, calcium and petroleum product costs have all 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.

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The table below shows the residential tax rates since amalgamation - from all three levying bodies.

**Comparison of Tax Rates Since Amalgamation
Impact on Residential Taxpayers**

	1998	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Cumulative Incr (Decr) To Date
Township	0.431403	0.427304	0.504964	0.583159	0.568192	0.568192	0.535841	0.535841	0.549237	0.533571	0.520026	20.54%
County	0.623400	0.706500	0.741850	0.800180	0.737030	0.737030	0.689500	0.689500	0.701700	0.666000	0.644200	3.34%
Education	0.460000	0.373000	0.373000	0.335000	0.296000	0.296000	0.264000	0.264000	0.264000	0.252000	0.241000	-47.61%
Total	1.514803	1.506804	1.619814	1.718339	1.601222	1.601222	1.489341	1.489341	1.514937	1.451571	1.405226	-7.2338%
%age increase (decrease) over previous year		-0.53%	7.50%	6.08%	-6.82%	0.00%	-6.99%	0.00%	1.72%	-4.18%	-3.19%	-7.23%

Therefore, as can be seen, there has been an overall decrease in the combined tax rates for a residential taxpayer of 7.234% since amalgamation in 1998. The municipal portion of your tax bill approximates 37% of the total rate being levied; for example for every \$1 received from a ratepayer, the municipality retains \$0.37 cents, the United Counties of SD&G receives \$0.46 cents and the School Boards receive \$0.17 cents. We will levy and collect on behalf of the Counties a sum of \$5,920,894. In addition, the Province has dictated that we must levy and collect on behalf of the School Boards a further sum of \$3,492,869. We collect these funds and remit them to the respective bodies requesting them without any financial benefits accruing to the Township from our collection efforts.