

Township of North Dundas 2002 Budget & Tax Analysis

Council and administration have done their utmost to hold tax increases to an absolute minimum again this year. However, rising costs and a decreasing assessment base, coupled with a desire to maintain an effective level of service for the ratepayers and inhabitants of the Municipality have necessitated an upward shift in the tax rate for the year 2002 compared to 2001.

It is useful to realize that there has actually been a downward trend in the municipal portion of your tax rate over the last four years since amalgamation. For example, in 1998 the municipal tax rate was .431403 and in 2001 this rate was still only at .427304, a decrease of **-.95%** or approximately **negative1%**.

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 :

			Increase (Decrease)	Percentage (Decrease)	Components of Your Tax Bill			
	2001	2002			Municipal	County	Education	Total
Residential	\$ 2,260.21	\$ 2,429.72	\$ 169.51	7.50%	757.45	1,112.77	559.50	2,429.72
Farmland	\$ 565.01	\$ 607.43	\$ 42.42	7.51%	189.36	278.19	139.88	607.43
Commercial	\$ 6,112.44	\$ 6,373.20	\$ 260.76	4.27%	1,164.80	1,711.23	3,497.17	6,373.20
Industrial	\$ 7,949.71	\$ 7,644.02	\$ (305.69)	-3.85%	1,421.65	2,088.57	4,133.80	7,644.02
Large Industrial	\$ 15,962.58	\$ 15,348.80	\$ (613.78)	-3.85%	2,854.59	4,193.72	8,300.49	15,348.80
Multi-residential	\$ 5,212.72	\$ 5,676.61	\$ 463.89	8.90%	2,072.45	3,044.66	559.50	5,676.61
Pipeline	\$ 4,245.71	\$ 4,438.27	\$ 192.56	4.54%	860.00	1,263.45	2,314.82	4,438.27

The Municipal portion of your tax bill approximates only 26.7% of the total amounts being raised for taxation. We have been requested by the United Counties of SD&G to levy and collect on their behalf a sum of \$4,337,242. As well, the Province has dictated that we must levy and collect on behalf of the School Boards a further sum of \$3,765,907. These funds are turned over by the municipality to the respective bodies requesting them.

Comparison of Tax Rates Since Amalgamation
Residential

	1998	1999	2000	2001	Cumulative Incr (Decr) To Date	2002	Cumulative Incr (Decr) To Date
Township	0.431403	0.418361	0.418335	0.427304	-0.950%	0.504964	17.052%
County	0.623400	0.604500	0.604800	0.706500	13.330%	0.741850	19.001%
Education	0.460000	0.414000	0.414000	0.373000	-18.913%	0.373000	-18.913%
Total	1.514803	1.436861	1.437135	1.506804	-0.528%	1.619814	6.932%

%age increase decrease over previous year	-5.15%	0.02%	4.85%	-0.28%	7.50%	6.93%
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Therefore, as can be seen, the overall increase in the tax bill for a residential taxpayer stands at 6.93% since amalgamation to date. This has been necessary in an attempt to keep pace with inflation and the rising costs of providing services. For example insurance premiums alone have increased 46% this year over last partly due to the events surrounding September 11. Gravel has gone up 9.2% since the year 2000 and calcium costs have increased approximately 280% since amalgamation.

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