

AREA RATING & TAXATION PRESENTATION

POLICY COMMITTEE

April 20, 2011

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Area Rating introduced by CGS at time of amalgamation

- Section 15 of CGS Act 1999 set out rules relating to area rating of five specific services (water, sewage, street lighting, fire, transportation)
- Only area rating of fire and transportation services were implemented to recognize differing service levels

Fire Protection and Prevention

- Service levels considerably different throughout 7 former area municipalities and unorganized area
- Could not harmonize service level without increasing the budget substantially
- Area rating adopted to recognize different service levels and maintain same relative tax position

Fire Protection and Prevention

Three distinct service areas recognized:

- Career - former City of Sudbury (predominantly full time firefighters)
- Composite - former City of Valley East (mix of full time firefighters and volunteers)
- Volunteer - all other areas of CGS including unorganized area (volunteers only)

Fire Protection and Prevention

2010 Area Rating

	Career	Composite	Volunteer	Total
	(\$ million)	(\$ million)	(\$ million)	(\$ million)
Base Costs	4.3	.8	1.9	7.0
Direct Suppression Costs	10.7	1.2	.9	12.8
Total Costs	15.0	2.0	2.8	19.8
Weighted Assessment	8,115	1,516	3,583	13,124
Fire Tax Rate	.00185	.00132	.00078	.00150
Taxes (\$200,000 home)	\$370	\$264	\$156	\$300

* Numbers have been rounded to the closest \$100,000 so tax rates may not be exact.

Public Transportation

Two distinct service areas recognized:

- **Commuter** - former area municipalities except City of Sudbury (Service along major arteries, weekday service level between 8 - 10 trips daily)
- **Urban** - former City of Sudbury (More frequent service with higher number of trips and service along both main arteries and some residential streets)
- Transit Costs – 80/20 split in costs between urban and commuter areas
- Transportation for the Disabled Costs - actual costs in each of the two areas

No area rate for former unorganized areas

Public Transportation

Area Rating

	Urban	Commuter	Total
	(\$ million)	(\$ million)	(\$ million)
Transit (80% Urban – 20% Commuter)	6.4	1.6	8.0
Transportation for the Disabled	1.3	.9	2.2
Total Costs	7.7	2.5	10.2
Weighted Assessment	8,115	5,007	13,214
Tax Rate	.00949	.000499	.000772
Taxes (\$200,000 home)	\$190	\$100	\$154

* Numbers have been rounded to the closest \$100,000 so tax rates may not be exact.

Impact if Area Rating Eliminated

(based on assessment of \$200,000)

	2010 Current Taxes	2010 Revised Taxes	\$ Change	% Change
	\$	\$		
Career / Urban	3,041	2,935	(106)	(3.5)
Commuter / Composite	2,845	2,935	90	3.1
Commuter / Volunteer	2,737	2,935	198	7.2
Volunteer	2,637	2,935	298	11.3

*Based on municipal taxes only; no education tax

2011 TAX INSTALMENT DATES

2011 TAX INSTALMENT DUE DATES

Interim

March 8, 2011

April 8, 2011

Final (Proposed)

June 8, 2011

July 8, 2011

- ▣ 60,000 tax accounts

- ▣ Tax classes include residential, multi-residential, commercial, industrial, large industrial, pipelines, managed forest, farm

How Taxpayers can Pay

- ▣ Walk into Tom Davies Square or one of the many Citizen Service Centres located throughout the City of Greater Sudbury
- ▣ Post dated cheque
- ▣ At banks or credit unions
- ▣ Through their mortgage company
- ▣ Through the internet
- ▣ Through the City of Greater Sudbury's pre-authorized tax payment plan

City of Greater Sudbury's Pre- Authorized Tax Payment Plan

Installment Plan

Monthly Plan

Municipal Property Assessment Corporation

- ▣ Annual return of Assessment Roll
- ▣ Supplementary Assessments
- ▣ Assessment Services / Calculations
- ▣ Property Inspections
- ▣ Support at Assessment Review Board Hearings

Municipal & Provincial Bylaws / Statutes Providing Authority for Property Tax Adjustments / Relief

- **City of Greater Sudbury Bylaws**
- **Taxation Act of Ontario**
- **Municipal Act of Ontario**
- **Assessment Act of Ontario**

Elderly Property Tax Assistance Credit

Authorized by Section 365 of the Municipal Act and City of Greater
Sudbury By-Law #2008-95F

Purpose:

**To provide Property Tax Relief to
Eligible Senior Property Owners.
Mandated and administered by the
City of Greater Sudbury.**



Other Property Tax Relief Programs

- ▣ Ontario Property Tax Credit
- ▣ Ontario Senior Homeowner's Property Tax Grant

Property Tax Deferral Program for Low Income Seniors and Low Income Disabled

Authorized by Section 319 of the Municipal Act
and City of Greater Sudbury By-Law #2001-179F

Senior & Disabled Property Tax Relief Program

Authorized by Section 3 (1).22 of the Assessment Act

Tax Adjustments Involving Tax Cancellations, Reductions and Refunds

Authorized by Sections 357 and 358 of the Municipal Act

Purpose:

To provide Property Tax Relief to eligible property owners by way of Tax Cancellation, Reduction or Refund

Registered Charity Property Tax Rebate Program

Authorized by Section 361 of the Municipal Act and City of Greater Sudbury By-Law #2003-95F

Purpose:

To provide Property Tax relief for registered charities occupying commercial property.

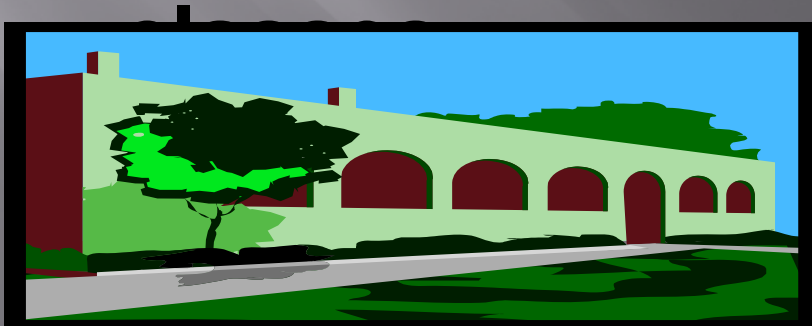


Commercial / Industrial Vacancy Rebate Program

Authorized by Section 364 of the Municipal Act and City of Greater
Sudbury Bylaw #2002-133F

Purpose:

**To provide Property Tax relief for
property owners with vacancies in
the Commercial and Industrial Tax**



Request for Reconsideration Process

Authorized by Section 39.1 of the Assessment Act.

Purpose:

To provide an initial, informal challenge process for taxpayers objecting to their property assessment values



Assessment Review Board

An Independent Adjudicative Tribunal administered by
the Ministry of the Attorney General

Purpose:

**Assessment Review Board is
appointed to hear formal appeals on
assessment matters**

