

---

**Impact of  
Reassessment 2010**

***TOWN OF MORDEN***

---

## 1. Overview of Reassessment 2010

- This information package provides Council with an overview of the impact of Reassessment 2010 in your municipality.
- For 2010, the assessed values of all properties will be updated to April 1, 2008 market values (reference date), from 2003 market values. Property assessments were last updated in 2006.
- The updated assessments will be used for 2010 property taxes.
- This information package will provide details on:
  - how taxable assessments have changed in your municipality and across the province
  - how Reassessment 2010 will impact municipal and school taxes.
- Impacts in this report reflect Reassessment 2010 modelling. Some assessment changes could still occur in your municipality that affect actual impacts.

## 2. Objectives of Reassessing Property

- The objectives of the province-wide reassessment are:
  - **Equity.** All properties across the Province are regularly reassessed to ensure assessments keep pace with changing market conditions.
  - **Fairness.** Property taxes are paid according to the market value of property. Keeping assessments current is one way to ensure everyone pays their fair share of taxes.
  - **Greater ratepayer understanding.** Updating assessments makes it easier for property owners to understand and evaluate their assessments.

### 3. Changes in Assessment

- The reassessment reflects how property values have changed since the last reassessment in 2006. These can be attributed to a combination of:
  - changes to the supply and demand for real estate
  - new construction
  - improvements to existing properties.
- The Province's taxable assessment has **increased by \$16.7 billion (56%) to \$46.2 billion** (from \$29.5 billion).
- Your municipality's taxable assessment has **increased by \$61,881,420 (34%) to \$241,277,190** (from \$179,395,770).

#### Changes in Your Municipality's Taxable Assessment 2009 to 2010 – By Property Class

Property Class	2009 (\$)	2010 (\$)	Change (\$)	Change (%)
Single Family Residential	113,385,400	158,872,610	45,487,210	40.1
Apartment	7,344,060	9,153,680	1,809,620	24.6
Condo / Co-op	8,352,090	11,192,590	2,840,500	34.0
<b>Total Residential</b>	<b>\$129,081,550</b>	<b>\$179,218,880</b>	<b>\$50,137,330</b>	<b>38.8%</b>
Farm	996,010	2,126,620	1,130,610	113.5
Commercial / Industrial	42,813,180	51,737,350	8,924,170	20.8
Institutional	4,535,710	5,279,700	743,990	16.4
Pipeline	1,600,300	2,307,200	706,900	44.2
Railway	240,450	383,780	143,330	59.6
Designated Recreational	128,570	223,660	95,090	74.0
<b>Total</b>	<b>\$179,395,770</b>	<b>\$241,277,190</b>	<b>\$61,881,420</b>	<b>34.5%</b>

- Includes all assessments subject to municipal taxation (excludes exempt assessment)

- Taxable Assessment is the portioned assessment

---

## 4. Impact of Reassessment 2010 on Property Taxes

- **Assessment increases resulting from reassessment do not necessarily mean tax increases.** Property assessment simply provides the basis for distributing taxes among property owners.
- Tax rates (mill rates) are set by:

Council	⇒	Municipal Levy
School Division	⇒	Special Levy
Province	⇒	Education Support Levy
- Shifting of the three tax levies occurs between and within property classes when property assessments increase or decrease relative to the average (on a municipal, school division and province-wide basis). Only properties seeing above average assessment increases will likely have an increase in taxes.
- The impact of Reassessment 2010 on property taxes (General Municipal Levy, Special Levy and Education Support Levy) in your municipality is shown on the following pages. Impacts do not take into account other taxes levied on a part of your municipality (e.g. local improvement and special services levies).

Property tax impacts have been calculated using the following methodology:

- **General Municipal Levy** – A baseline for the municipal tax was determined by applying 2008 mill rates against the 2009 assessment (to estimate the 2009 general municipal levy). For estimated 2010 general municipal taxes, the general mill rates were recalculated to raise the same amount of tax on the 2010 assessment.
- **School Division Special Levy** - The Special Levy was based on the 2009 levy amount and reflects your municipality's new share of the school division's assessment.
- **Education Support Levy** - The Education Support Levy was based on the 2009 levy amount and reflects how the assessment of properties subject to the levy in your municipality has changed relative to the assessment of all other municipalities in Manitoba. Residential and Farm properties do not pay the Education Support Levy.

- The table below illustrates how the property taxes of each class of property in your municipality are impacted by Reassessment 2010.

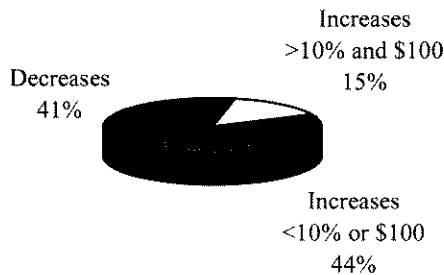
**Total Tax Change – Municipal & School  
2009 to 2010 – By Property Class**

Property Class	2009 (\$)	2010 (\$)	Change (\$)	Change (%)
Single Family Residential	5,365,397	5,569,915	204,518	3.8
Apartment	347,521	320,919	(26,602)	(7.7)
Condo / Co-op	395,221	392,401	(2,820)	(0.7)
<b>Total Residential</b>	<b>\$6,108,139</b>	<b>\$6,283,235</b>	<b>\$175,096</b>	<b>2.9%</b>
Farm	47,131	74,557	27,426	58.2
Commercial / Industrial	2,701,665	2,376,832	(324,833)	(12.0)
Institutional	112,898	97,223	(15,675)	(13.9)
Pipeline	101,459	106,378	4,919	4.9
Railway	15,245	17,695	2,450	16.1
Designated Recreational	8,151	10,312	2,161	26.5
<b>Total</b>	<b>\$9,094,688</b>	<b>\$8,966,233</b>	<b>(\$128,455)</b>	<b>(1.4%)</b>

- Changes in Total Tax reflect changes in your municipality's revised share of the divisions'/province's new total assessment

- The graph below illustrates how the property taxes of individual properties in your municipality may be impacted by Reassessment 2010. The Attachment provides more detailed information.

**% of Properties with Tax  
Increases / Decreases**



	Number of Properties
With Tax Increases:	1,919
With Tax Decreases:	1,351
<b>Total Properties:</b>	<b>3,270</b>

- The table below illustrates how the Municipal Levy of each class of property in your municipality are impacted by Reassessment 2010.

**Tax Change – Municipal Levy  
2009 to 2010 – By Property Class**

<b>Property Class</b>	<b>2009 (\$)</b>	<b>2010 (\$)</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Single Family Residential	2,796,084	2,910,387	114,303	4.1
Apartment	181,105	167,686	(13,419)	(7.4)
Condo / Co-op	205,963	205,037	(926)	(0.5)
<b>Total Residential</b>	<b>\$3,183,151</b>	<b>\$3,283,111</b>	<b>\$99,960</b>	<b>3.1%</b>
Farm	24,562	38,958	14,396	58.6
Commercial / Industrial	1,043,082	939,155	(103,927)	(10.0)
Institutional	111,851	96,719	(15,132)	(13.5)
Pipeline	39,463	42,266	2,803	7.1
Railway	5,930	7,030	1,100	18.6
Designated Recreational	3,171	4,097	926	29.2
<b>Total</b>	<b>\$4,411,209</b>	<b>\$4,411,209*</b>	<b>\$0*</b>	<b>0.0%</b>

\* May not add due to rounding.

- **The average rate of assessment change will determine which properties may experience a change in their Municipal Levy (see page 2):**
  - properties with an assessment increase **less than 34%** should experience a municipal levy **decrease**
  - properties with an assessment increase **greater than 34%** should experience a municipal levy **increase**.

---

## 5. Council's Options to Moderate Impacts

- **Phase-in tax increases and decreases.** *The Municipal Assessment Act* provides council with the flexibility to phase-in substantial tax increases that property owners would otherwise find difficult to absorb. Council may, by by-law, phase-in:
  - increases and decreases of the municipal and education taxes
  - tax changes for all, or some, property classes or individual properties.
- **Vary property class portion percentages.** *The Municipal Assessment Act* gives municipalities authority to vary property class portions, for municipal tax purposes. Councils may, by by-law, vary property class portions to mitigate tax shifting that occurs between property classes as a result of the reassessment. A provincial regulation is required.

## 6. Provincial Property Tax Reduction Initiatives

- The Manitoba Government has reduced property taxes across the province by:
  - **Increasing the Education Property Tax Credit to a maximum \$650** in 2009, providing tax relief to homeowners. The Education Property Credit has increased five times since 1999.
  - **Eliminating the Education Support Levy on all residential property**, saving homeowners approximately \$100 million annually.
  - **Increasing the Farmland School Tax Rebate to 75%** in 2009, reducing school taxes paid by farmers. The Farmland School Tax Rebate has increased every year since it was introduced in 2004.
  - **Strengthening the Tax Incentive Grant** to help school divisions hold the line on property taxes.

---

## 7. Informing the Public about Reassessment 2010

- Ratepayers have been informed, or can receive additional information, about Reassessment 2010 in the following ways:
  - *A press release*, explaining the reassessment, has been provided to community newspapers.
  - *A Provincial website*, providing property assessments and answers to frequently asked questions, is available. Anyone with internet access can obtain this information at [www.gov.mb.ca/assessment](http://www.gov.mb.ca/assessment).
  - *A toll free customer service line* is available for ratepayers to contact their local assessment office and speak to an assessor. The toll free phone number is provided on both the assessment notice and the assessment brochure.
  - *Assessment Facts*, a series of informational sheets providing details about property assessment in Manitoba, have been made available at local assessment offices. Municipal offices have also been given a supply of *Assessment Facts*.
  - *An assessment notice* providing assessed values, pertinent property data and helpful information is being sent to ratepayers. Commonly asked questions and their answers are on the back of the notice.
  - *Open Houses* are being held locally, during May, June and July, to give ratepayers the opportunity to meet with assessors after they receive their assessment notice.
  - *Municipal Administrators* will play an important role in answering ratepayers' questions. This report should assist municipal administrators to answer inquiries.

**Total Tax Increases / Decreases Resulting from Reassessment  
Excludes Railway & Pipeline**

**TOWN OF MORDEN**

% Change (-)	Under \$100	\$100 To \$199.99	\$200 To \$499.99	\$500 To \$749.99	\$750 To \$999.99	\$1000 To \$1,999.99	\$2,000 +	# of Roll Entries	Total Value of Change	% of Total Rolls	Average Change
	0	0	0	1	0	1	0				
UNDER -100%	0	0	0	1	0	0	0	2	(1,639.86)	0.1	(819.93)
-90.01% TO -100%	0	0	0	0	0	0	0	0	0.00	0.0	0.00
-80.01% TO -90%	0	0	0	0	0	0	0	0	0.00	0.0	0.00
-70.01% TO -80%	0	0	6	0	0	0	0	6	(1,619.83)	0.2	(269.97)
-60.01% TO -70%	0	0	0	0	0	0	0	0	0.00	0.0	0.00
-50.01% TO -60%	0	0	1	0	1	1	0	3	(3,104.74)	0.1	(1,034.91)
-40.01% TO -50%	0	0	0	1	0	2	1	4	(18,044.75)	0.1	(4,511.19)
-30.01% TO -40%	0	0	0	2	0	2	2	6	(39,593.37)	0.2	(6,598.90)
-20.01% TO -30%	16	2	0	5	4	8	16	51	(198,888.64)	1.6	(3,899.78)
-10.01% TO -20%	4	15	37	12	5	23	18	114	(158,322.45)	3.5	(1,388.79)
-5.01% TO -10%	30	129	111	5	3	3	7	288	(87,331.92)	8.8	(303.24)
0% TO -5%	647	209	18	1	0	1	1	877	(65,003.02)	26.8	(74.12)
<b>% Change (+)</b>											
0.01% TO 5%	735	68	5	2	0	0	0	810	42,696.23	24.8	52.71
5.01% TO 10%	172	213	30	2	1	1	1	420	54,711.53	12.8	130.27
10.01% TO 20%	33	55	54	7	0	4	2	155	40,295.02	4.7	259.97
20.01% TO 30%	14	87	19	3	1	2	2	128	35,984.76	3.9	281.13
30.01% TO 40%	91	40	3	3	1	0	0	138	10,684.40	4.2	77.42
40.01% TO 50%	46	20	5	3	0	0	1	75	15,597.31	2.3	207.96
50.01% TO 60%	0	6	5	0	1	0	0	12	3,661.24	0.4	305.10
60.01% TO 70%	2	0	2	2	0	1	1	8	6,141.82	0.2	767.73
70.01% TO 80%	0	1	3	0	1	3	1	9	8,593.07	0.3	954.79
80.01% TO 90%	2	0	1	1	0	0	0	4	1,171.45	0.1	292.86
90.01% TO 100%	4	2	0	1	1	2	0	10	5,041.72	0.3	504.17
OVER 100%	13	6	53	4	3	9	62	150	212,947.90	4.6	1,419.65
<b>Total Decrease</b>	<b>697</b>	<b>355</b>	<b>173</b>	<b>27</b>	<b>13</b>	<b>41</b>	<b>45</b>	<b>1,351</b>	<b>(573,548.58)</b>	<b>41.3</b>	<b>(424.54)</b>
<b>Total Increase</b>	<b>1,112</b>	<b>498</b>	<b>180</b>	<b>28</b>	<b>9</b>	<b>22</b>	<b>70</b>	<b>1,919</b>	<b>437,526.45</b>	<b>58.7</b>	<b>228.00</b>
<b>Overall Totals</b>	<b>1,809</b>	<b>853</b>	<b>353</b>	<b>55</b>	<b>22</b>	<b>63</b>	<b>115</b>	<b>3,270</b>	<b>(136,022.13)</b>	<b>100.0</b>	<b>(41.60)</b>

