Appendix I: Growth in NOTL taxes vs general inflation in current council term

NOTL TAXES								
2022	2023	2024	2025	2026		TOT	AVG	
	9.48%	7.65%	7.92%	1.18%	Tax levy rate increase	26.23%	6.56%	
1,500	1,642	1,768	1,908	**1,930**	⬅Growth in a $1,500 tax bill to the town over time		8.35%	⬅First three years increase
				28.68%	⬅Compound Rate Increase reduced for assessment base growth			
GENERAL PRICE INCREASES								
2022	2023	2024	2025	2026 YTD				
	6.78%	3.90%	2.42%	2.40%	Nominal Rate of inflation cumm➡	15.50%	3.88%	⬅Rate of inflation average annual
1,500	1,602	1,664	1,704	1,745				
				16.36%	⬅Compound growth in rate			
Excess of Property tax increases over general inflation				185	Dollars			
				12.32%	⬅Excess of compound tax rate change over compound inflation			
Observations:								
NOTL tax rate increases have significantly outstripped general price inflation this term.								
The average tax rate increase per year during this term was 8.35%. It suddenly drops to 1.18% this year								
Even with the sudden drop in tax hike to 1.18% this year, the average tax rate hike per year this term will be 6.56% whereas general price inflation has only averaged 3.88%								

Appendix 2: Growth in budgeted spending (total expenses) versus tax increases during this council term

	2022	2026 BASE BUDGET	2025 AS BUDGETED	INCREASE $ YOY	INCREASE % YOY	INCREASE $ THIS TERM	INCREASE % THIS TERM
Spending (total operating expenses) $	40,158,178	44,175,628	41,343,822	2,831,806	6.85%	4,017,450	10.00%
Taxes $	13,670,566	18,096,753	17,601,443	495,310	2.81%	4,426,187	32.38%
Excess of growth in taxes over expenses						408,737	
Percentage of spending funded by taxes	34.04%	40.97%	42.57%				
Observations:							
During the first three years of the council term taxes rose from funding 34% of expenses to a budgeted 43%.							
Budgeted 2026 expenses increase by 6.85% over 2025 budget whereas taxes are held to a 2.81% increase (1.81% with assessment growth)							
The 2026 experience is atypical. Over the entire term (factoring in 2036 budget) tax increases have totalled a compound 32.38% (incl growth in the assessment base) whereas expenses have increased far less.							

Appendix 3: Revenue lines under budgeting in 2024 & 2023

	A	B	C	D	E = A + C	F = B + D	G = F - E	H = G / E
	Budget 2024	Actual 2024	Budget 2023	Actual 2023	Budget 2023/24	Actual 2023/24	Variance 2 years $	Variance 2 years %
Revenues								
Taxation	18,020,577	18,340,860	16,835,692	16,929,863	34,856,269	35,270,723	414,454	1.2%
User fees and charges	17,379,098	19,891,328	16,479,425	18,033,613	33,858,523	37,924,941	4,066,418	12.0%
Government of Canada grants	608,129	473,632	587,510	1,831,181	1,195,639	2,304,813	1,109,174	92.8%
Province of Ontario grants	1,810,059	2,236,733	1,853,154	2,278,164	3,663,213	4,514,897	851,684	23.2%
Other municipality funding	61,900	212,098	96,900	438,144	158,800	650,242	491,442	309.5%
Other deferred revenues	234,213	419,550	264,833	500,270	499,046	919,820	420,774	84.3%
Interest and penalties	456,000	587,012	456,000	536,604	912,000	1,123,616	211,616	23.2%
Investment income	822,338	1,580,394	738,195	1,256,602	1,560,533	2,836,996	1,276,463	81.8%
Donations	20,043	145,586	4,500	278,295	24,543	423,881	399,338	1,627.1%
Contributed assets	0		671,693	671,693	671693	671,693	0	0.0%
Other	4,200,340	5,250,049	2,157,477	3,539,169	6,357,817	8,789,218	2,431,401	38.2%
Equity income of Niagara-on-the-Lake Energy Inc.		8,063,589		773,795	0	8,837,384	8,837,384	
Total revenues	43,612,697	57,200,831	40,145,379	47,067,393	83,758,076	104,268,224	20,510,148	24.5%
Total expenses	44,560,306	45,599,616	40,896,139	40,478,378	85,456,445	86,077,994	621,549	0.7%
Net to surplus	-947,609	11,601,215	-750,760	6,589,015	-1,698,369	18,190,230	19,888,599	
Surplus BOY	236,036,619	236,036,619	224,075,971	229,447,604	224,075,971	229,447,604	5,371,633	
Observations:								
Although budgets for the years 2023 and 2024 were balanced (revenue = expenses) actual revenues exceeded expenses by $18.2 million, which dropped to unexpected surplus, meaning taxpayers were unnecessarily overtaxed								
Among the most significantly underbudgeted revenue sources were:								
-User fees and charges...underbudgeted by $4.1 MM or 12%								
-Intergovernmental grants...underbudgeted by $1.1 MM or 92.8%								
-Investment Income...underbudgeted by $1.3 MM or 81.8%								
-Other and investment in sub...underbudgeted by $11.3 MM								