



Staff Report for Committee of the Whole Meeting

Date of Meeting: June 4, 2019

Report Number: SRCFS.19.027

Department: Corporate and Financial Services

Division: Financial Services

Subject: SRCFS.19.027 Treasurer Write Off, Municipal Act, 2001, Section 354

Purpose:

To obtain Council approval to adjust taxes and penalties, pursuant to the provision of Section 354 of the Municipal Act, 2001.

Recommendation(s):

- a) That taxes amounting to \$80,613.80 be written off pursuant to the provisions of Section 354 of the Municipal Act, 2001;
- b) That applicable penalty and interest be adjusted accordingly; and
- c) That the Treasurer be directed to adjust the applicable property tax roll accordingly.

Contact Person:

Cedric Stone, Manager, Revenue Services

Report Approval:

Submitted by: Mary-Anne Dempster, Commissioner of Corporate and Financial Services

Approved by: Neil Garbe, City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner and City Manager. Details of the reports approval are attached.

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Background:

Section 354 of the Municipal Act, 2001, provides for the removal of unpaid taxes from the tax roll if the Council of the local municipality, on the recommendation of the Treasurer, writes off the taxes as uncollectible. The local municipality may write off taxes after an unsuccessful tax sale, or if the recommendation of the Treasurer includes an explanation of why conducting a tax sale would be ineffective or inappropriate.

Staff has determined that taxes billed on seven properties are uncollectible or no longer payable and should be written off. Details of the properties including the reason the amounts are being recommended for write off are provided below.

Roll No.	Address	Tax Year	Amount
19-38-02-0-040-06810	0 Allen Court	2010 – 2019	\$15,696.05

This property is forfeited to the Crown. Outstanding taxes receivable to date are uncollectible and should be written off.

Roll No.	Address	Tax Year	Amount
19-38-05-0-023-01500	0 Church St	2011-2019	\$55,665.45

This property is forfeited to the Crown. Outstanding taxes receivable are uncollectible and should be written off.

Roll No.	Address	Tax Year	Amount
19-38-07-0-022-26750	0 Douglas Rd	2015-2019	\$7,580.23

A review of the property by the Municipal Property Assessment Corporation (MPAC) concludes this laneway should not be assessed separately. Outstanding taxes receivable are uncollectible and should be written off.

Roll No.	Address	Tax Year	Amount
19-38-05-0-020-28571	0 Grey Alder Ave	2014-2018	\$1,247.55

A review of the property by MPAC concludes this driveway should be included in the legal description for the adjoining lands, a residential property. MPAC has deleted the roll number effective 2019. Outstanding taxes receivable are uncollectible and should be written off.

Roll No.	Address	Tax Year	Amount
19-38-04-0-020-83619	10,376 Yonge St	2017-2018	\$ 141.49

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A review of the property by MPAC concludes this storage locker should be included in the legal description for a condominium. MPAC has deleted the roll number effective 2019. Outstanding taxes receivable are uncollectible and should be written off.

Roll No.	Address	Tax Year	Amount
19-38-05-0-041-45018	0 West Beaver Creek Rd	2016	\$41.39

This property is transferred to the City from a dissolved corporation January 13, 2016. The property taxes represent taxation for the first twelve days of 2016. Outstanding taxes receivable are uncollectible and should be written off.

Roll No.	Address	Tax Year	Amount
19-38-05-0-020-00654	73 King William Cres	2016-2017	\$241.64

A review of the property by MPAC concludes this parking spot should be included in the legal description for a condominium. MPAC has deleted the roll number effective 2018. Outstanding taxes receivable are uncollectible and should be written off.

Financial/Staffing/Other Implications:

A total amount of \$80,613.80 representing Richmond Hill, Region, and School Board portion of taxes is being submitted for approval to be removed from the accounts receivable pursuant to Section 354 of the Municipal Act, 2001. Of this total, Richmond Hill's share of the taxes is estimated at \$21,766. Richmond Hill's 2019 budget includes a provision for such adjustments for \$375,000. Richmond Hill will also bear full responsibility for the penalties being reversed on cancelled taxes.

Relationship to the Strategic Plan:

The report is required to meet the statutory obligations of Richmond Hill under the Municipal Act, 2001. Writing off uncollectable receivables in a timely manner meets the Strategic Plan goal of Wise Management of Resources through the commitment to maintain sound fiscal management.

Conclusion:

Based on the recommendations of Staff, a net amount of \$80,613.80 is recommended to be removed from the accounts receivable and allocated to Richmond Hill, Region, and School Boards.

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Report Approval Details

Document Title:	SRCFS.19.027 Treasurer Write Off Section 354.docx
Attachments:	
Final Approval Date:	May 21, 2019

This report and all of its attachments were approved and signed as outlined below:

David Dexter - May 21, 2019 - 12:25 PM

Task assigned to MaryAnne Dempster was completed by delegate Stephen Huycke

Stephen Huycke on behalf of MaryAnne Dempster - May 21, 2019 - 12:35 PM

Neil Garbe - May 21, 2019 - 2:10 PM