



Staff Report for Committee of the Whole Meeting

Date of Meeting: May 17, 2023

Report Number: SRCFS.23.017

Department: Corporate and Financial Services

Division: Financial Services

Subject: SRCFS.23.017 - 2023 Final Levy By-Law and Tax Rates

Purpose:

The purpose of this report is to adopt tax rates for the 2023 tax levies and to authorize the billing and collection of taxes, special assessments and fees. This report also sets the tax installment due dates for both residential and non-residential properties.

Recommendation(s):

- a) That By-law No. 38-23 be enacted in the form of the draft By-law attached to SRCFS.23.017 to establish and adopt tax rates for 2023 on the assessment in each property class, and
- b) That the billing and collection of taxes, special assessments, defaulted fines and fees including the tax installment due dates for residential and non-residential properties be authorized.

Contact Person:

Gigi Li, Director Financial Services and Treasurer, ext. 6435

Report Approval:

Submitted by: Sherry Adams, Commissioner of Corporate and Financial Services

Approved by: Darlene Joslin, 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:

Richmond Hill must establish its tax rates through a By-law, on an annual basis, to raise the requisite levy set out in the approved budget. The total levy, for Richmond Hill purposes, to be raised by the tax rates is \$135,130,500. This total levy includes \$8,984,500 which will be used specifically for Capital Asset Sustainability.

Council is only responsible for establishing the tax rates for Richmond Hill tax levies. These rates are set out in Schedule 1 of draft By-law 38-23 attached as Appendix A. The calculations for Richmond Hill tax rates are based on Richmond Hill's levy requirements. Tax ratios and percent reductions for prescribed classes are established by the Region of York and Ontario Regulations 387/98 and 392/98 as amended for Railway Rights of Way and Electrical Corridors. Tax rates have been established for all property tax classes and subclasses for which Richmond Hill currently has assessment.

Tax Due Dates

The residential bills will be issued in June in accordance with the usual practice. The bills for non-residential properties will be issued in August. The installment due dates for 2023 are proposed as follows:

Residential, Farmland, Managed Forest, Pipelines August 1, 2023 and October 3, 2023.

Multi-residential, Commercial, and Industrial October 3, 2023 and November 1, 2023.

Region and School Board Taxes

The Region of York 2023 Tax Rate By-law provides for upper tier tax rates representing a 3.9% tax levy increase, including a 1% tax levy to help fund the Region's portion of the Yonge North Subway Extension. The tax rate change from the prior year reflects the budget requirement and offsets the impact of assessment growth and phase-in reassessment if applicable.

Ontario Regulation 400/98 as amended under the Education Act prescribes the education tax rates representing a 0% tax levy increase. The tax rate remains unchanged from the prior year reflects the budget requirement and offsets the impact of assessment growth and phase-in reassessment if applicable.

For reference, a schedule including City, Region and School Board rates has been included in Appendix B.

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Special Assessment and Fees

There is one new local improvement project scheduled for billing in 2023. The reconstruction of Powell Street and Wright Street, from Mill Street to Hall Street (SRCFS.23.016). The approval of the local improvement roll and the annual special charge rates will be established by a separate by-law.

The tax rate By-law No.38-23 provides the necessary authorization to add the local improvement special assessment annual charges for all local improvement projects, including those approved in past years, to the final property tax bills of the applicable properties.

Tax Rate By-law No. 38-23 provides the necessary authorization to add the Capital Asset Sustainability Fee to the final property tax bill of each property, as a percentage of the City Levy.

Tax Rate By-law No. 38-23 provides the necessary authorization to add the Business Improvement Area (BIA) levy, to the final property tax bill of the applicable properties.

Annual Levy on Public Hospital

The Municipal Act, 2001; Section 323 states that Richmond Hill must establish an annual amount through a By-law, on an annual basis, to be paid on or after July 1st by Mackenzie Health, as designated by the Minister of Health and Long-Term Care. This amount is not to exceed the prescribed amount for each provincially rated bed in the facility.

Financial/Staffing/Other Implications:

The tax rate By-law must be established to set a tax rate and installment dates for Richmond Hill for each assessment class for the purpose of raising the local municipal levy as approved in the 2023 Operating Budget.

Relationship to Council's Strategic Priorities 2020-2022:

The report is required to meet the statutory obligations of Richmond Hill under the Municipal Act, 2001. The final billing of property tax accounts in a timely manner and with clear application of procedures meets the Strategic Plan goal of Wise Management of Resources through the commitment to maintain sound fiscal management.

Climate Change Considerations:

Climate change considerations are not applicable to this staff report.

Conclusion:

This By-law No. 38-23 is required to set the 2023 tax rates for Richmond Hill and to authorize the issuance of the 2023 final bills. It is also required to set the due dates for

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the tax installments and to specify how penalties and interest will be applied to late payments.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Appendix A – 2023 Tax Rate By-law 38-23
- Appendix B – Summary of 2023 Tax Rates

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Report Approval Details

Document Title:	SRCFS.23.017 - 2023 Final Levy Bylaw and Tax Rates.docx
Attachments:	- SRCFS.23.017 - Appendix A - Bylaw 38-23 Final Levy Bylaw and Tax Rates.docx - SRCFS.23.017 - Appendix B Summary of 2023 Tax Rates.pdf
Final Approval Date:	May 7, 2023

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

Gigi Li - May 3, 2023 - 3:08 PM

Sherry Adams - May 3, 2023 - 3:24 PM

Darlene Joslin - May 7, 2023 - 9:49 AM