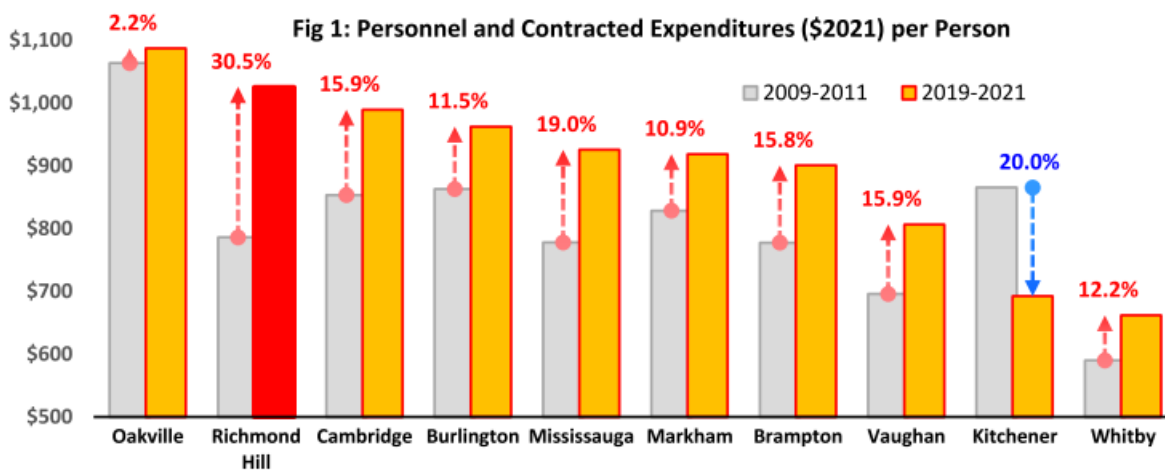


## Summary

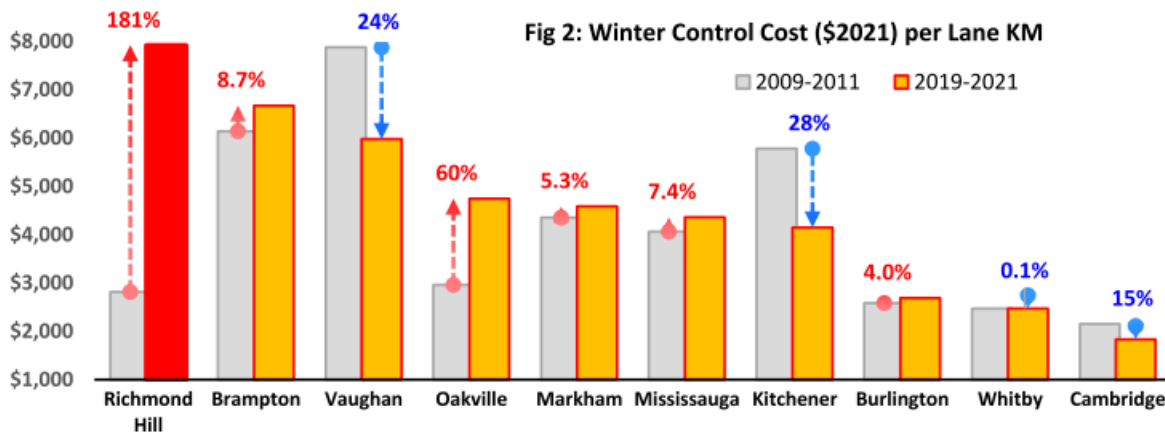
This study investigates the operating performance of the top 10 low-tier municipalities in Ontario between 2009-2021. We analyzed financial data from the Ministry of Municipal Affairs and Housing's **Financial Information Return (FIR)** database on a per person basis, adjusted for inflation to 2021 dollars. Our analysis compares the annual average of the first three years (2009-2011) with the last three years (2019-2021) and examines the evolving trends throughout this 13-year period. For a comprehensive review and explanation of key findings and conclusions, please refer to Chapters 2 through 4. Key findings include:

1. In comparison to other municipalities, **Richmond Hill experienced the Most Substantial Increase in personnel and contracted services expenses** per person, amounting to around \$50 million in total. This made it the most expensive municipality in terms of personnel and contracted services for equivalent services. Despite its total revenue growth of nearly \$47 million, it was unable to fully cover these escalating expenses.



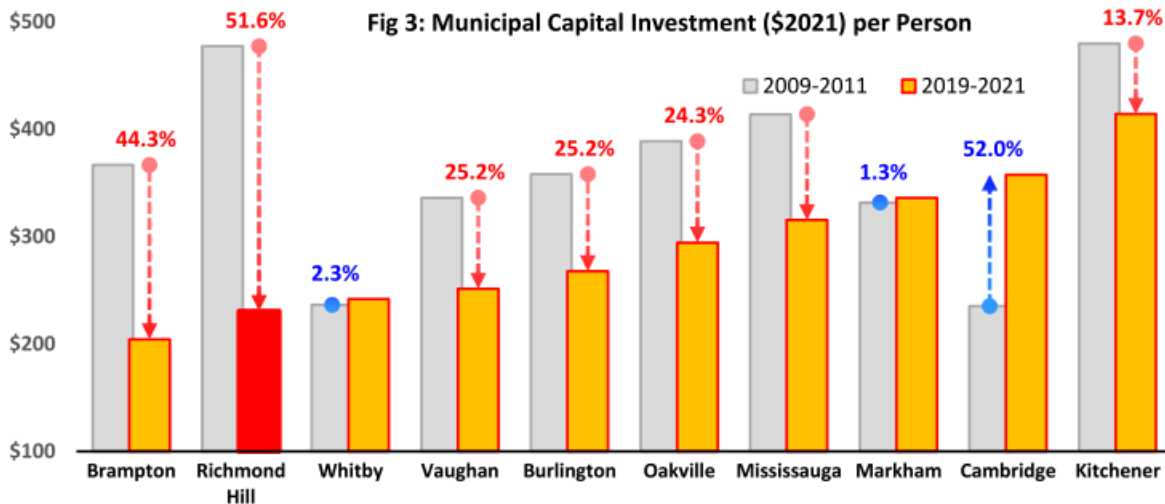
Sources: Ontario, Ministry of Municipal Affairs and Housing, *Financial Information Return*; Statistics Canada, 2006 Census, 2011 Census, 2016 census, 2021 census, *Census Profile*, *NHS Profile*; Table 18-10-0005-01.

2. Richmond Hill's **Winter Control Cost Skyrocketed** from \$2,815 to \$7,919 per lane-kilometer, making it the **Most Expensive and Poorest-Performing Municipality** among all municipalities studied. Similar trends were observed in solid waste management and top employee salaries on the Ontario Sunshine List.



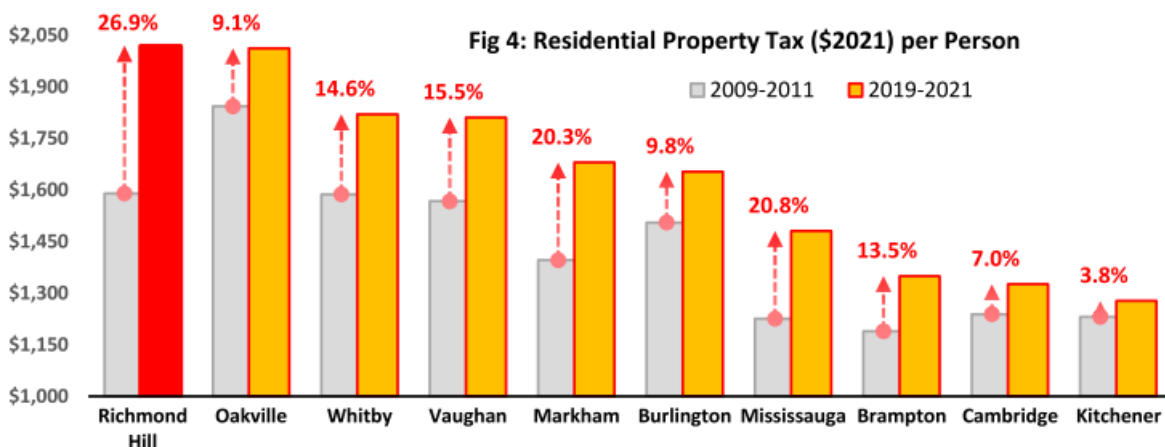
Sources: Ontario, Ministry of Municipal Affairs and Housing, *Financial Information Return*; Statistics Canada, Table 18-10-0005-01.

- Capital investment is crucial for securing the future **Quality of Life** for residents. However, Richmond Hill experienced the **Most Substantial Decrease** in capital investment (-51.6%, or approximately \$50 million), ranking it among the **Poorest Performers** across all municipalities.



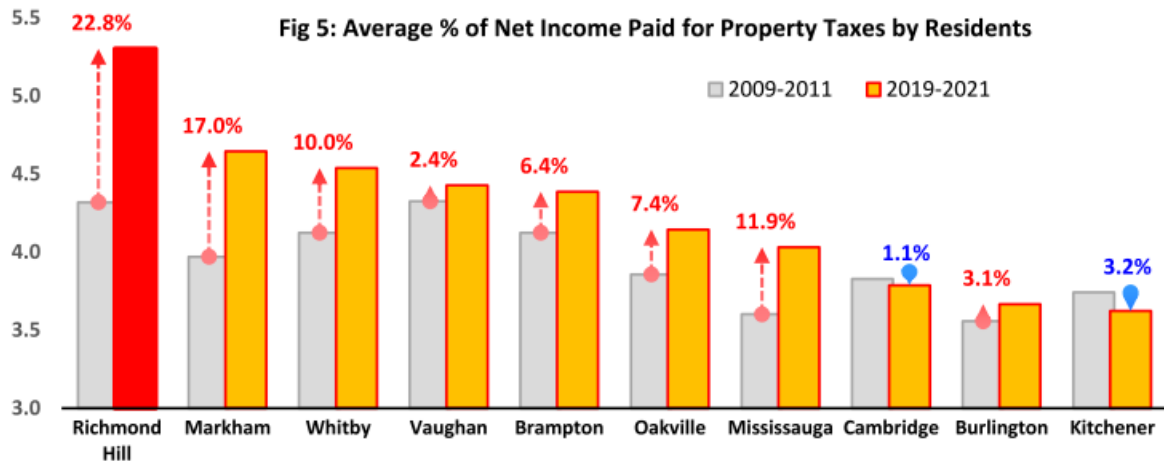
Sources: Ontario, Ministry of Municipal Affairs and Housing, *Financial Information Return*; Statistics Canada, *2006 Census*, *2011 Census*, *2016 census*, *2021 census*, *Census Profile*, *NHS Profile*; Table 18-10-0005-01.

- Richmond Hill's surplus **Consistently Lagged Behind** the average, declining from 18.5% to 12.5%. In contrast, Markham and Vaughan saw significant increases in their surpluses, reaching **3 to 5 times larger** than Richmond Hill's on a per person basis.
- Richmond Hill's revenue share generated from property tax and environmental fees (sum of direct water billings, sewer surcharges, and stormwater fees) experienced the **Most Significant Increase** among all municipalities, jumping from 54.9% to 68.2%, **Substantially Higher** than Vaughan (46.5%) and Markham (48.6%).
- Richmond Hill's residential properties **Endured the Steepest Increase** (26.9%) in property tax among all municipalities. Residents, left with little choice, contributed an additional \$86 million per year in property tax, with \$71 million fueling revenue growth and another \$15 million offsetting property tax revenue loss due to the dwindling share of businesses in the local economy—hallmarks of a **"Sleepy Town Economy."**



Sources: Ontario, Ministry of Municipal Affairs and Housing, *Financial Information Return*; Statistics Canada, *2006 Census*, *2011 Census*, *2016 census*, *2021 census*, *Census Profile*, *NHS Profile*; Table 18-10-0005-01.

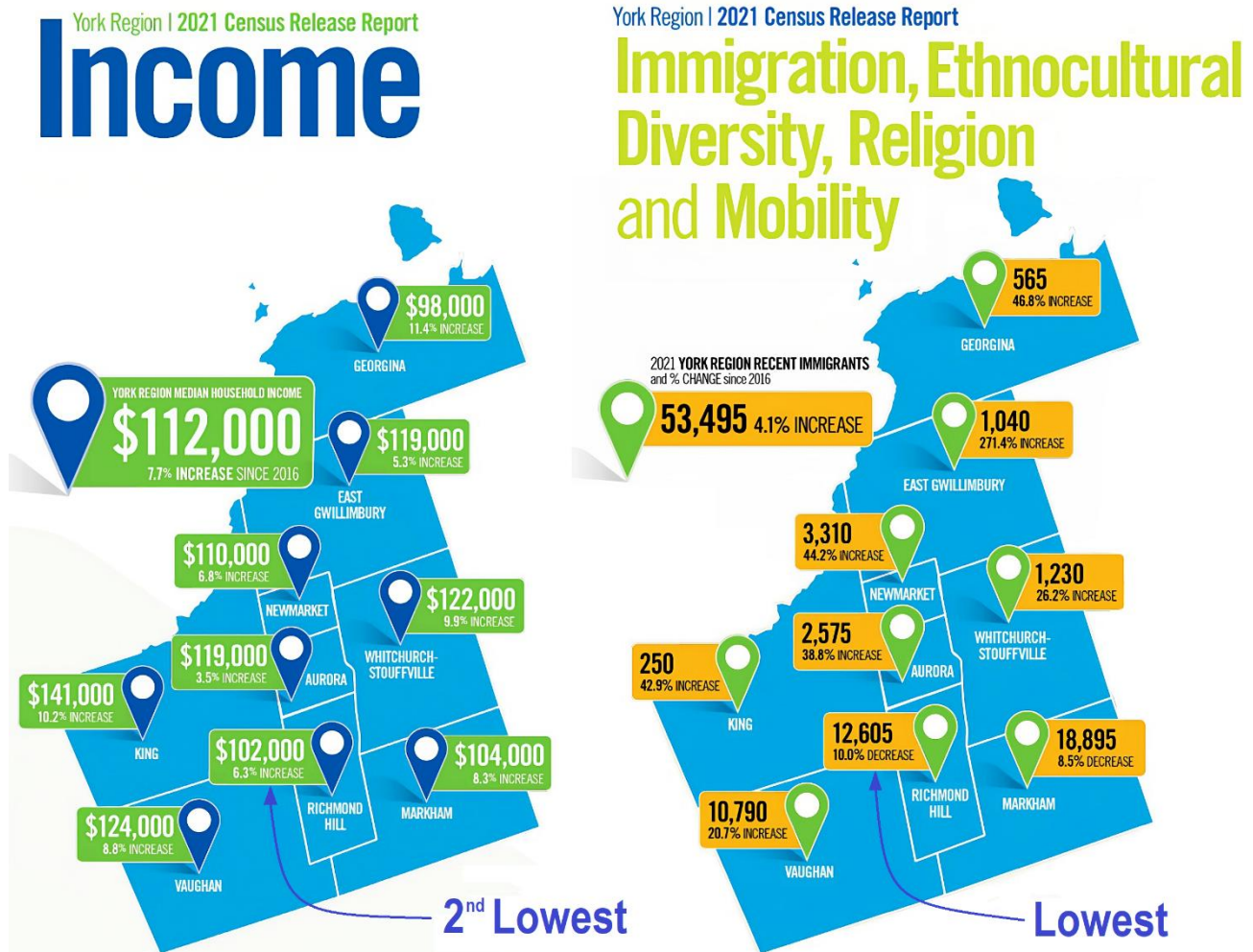
7. Among all municipalities, Richmond Hill residents **Shouldered the Heaviest Property Tax Burden**, paying \$2,018 (5.30%) per person of their net income. From 2009 to 2021, property taxes consumed 34.3% of their income growth, a meager \$1,250 increase over a decade. For more details, please refer to section 3.3.2. This financed the most inefficient municipal operations, leading to the most significant rise in residential property tax burden among all municipalities.



Sources: Ontario, Ministry of Municipal Affairs and Housing, *Financial Information Return*; Statistics Canada, *2006 Census*, *2011 Census*, *2016 census*, *2021 census*, *Census Profile*, *NHS Profile*, Table 18-10-0005-01.

To exacerbate matters, once we factor in the skyrocketing environmental fees (sum of direct water billings, sewer surcharges, and stormwater fees), it is highly likely that half of Richmond Hill residents' meager income growth in the past decade has been devoured by the combined impact of property taxes and environmental fees. Despite these distressing trends, **the city council obstinately implemented yet another property tax hike in 2023, , and is set to repeat this in 2024, persistently justifying its necessity while ignoring some residents' urgent warnings about unbalanced fund allocation and calls for a comprehensive review of the past decade's municipal budget.**

The deterioration in vibrancy and appeal of Richmond Hill over the past decade is evident through various markers, such as its minimal growth in household income and a reduction in incoming immigrants. As per the most recent information from the 2021 Census by Statistics Canada, Richmond Hill's performance falls notably behind that of other municipalities in the York Region.



Source: York Region Census and Demographic Data

The undeniable fact is that by either restoring operating efficiency to 2009-2011 levels, matching the performance of neighboring cities like Markham and Vaughan, or even just achieving the average performance of the 10 municipalities, Richmond Hill has the potential to realize significant savings or revenue growth. **This financial improvement could amount to millions or even hundreds of millions of dollars annually, profoundly influencing the community.** Such progress could lead to reduced operational costs, property tax relief, and lowered environmental fees for residents, or alternatively, it may stimulate increased revenue, capital investments, and surpluses that **far surpass the impact of Bill 23.**

## Comparative Study of Municipal Operating Performance, 2023

Table 1: Pontential Economic Gains in Richmond Hill (\$2021) from Various Operational Improvement Scenarios					
Performance Improvements	Beneficial Items	Average Performance of 10 Municipalities	Richmond Hill's 2009-2011 Performance	Markham's Operating Performance	Vaughan's Operating Performance
Reduced Operational Costs (Additional Savings in \$ Millions)	Personnel & Contracted Services Savings	\$22.2	\$16.5	\$2.9	\$73.8
	Winter Control Cost Savings	\$3.7	\$5.6	\$3.6	\$2.1
Increased Revenue & Capital Investments (Additional \$ Millions)	Capital Investment to Match Comparison	\$13.1	\$68.4	\$27.8	-\$5.2
	Revenue to Match Comparison	\$31.9	-\$33.4	\$56.8	\$218
	Surplus to Match Comparison	\$23.1	\$19.2	\$63.8	\$75.3
Property Tax & Environmental Fee Relief Savings (in \$ Millions)	Lower-Tier Property Tax & Environmental Fee Relief	\$35.3	\$42.2	\$62.6	\$69.3
	Residential Property Tax Relief	\$55.2	\$32.6	\$41.3	\$95.2
	Net Income-Based Residential Property Tax Relief	\$79.7	\$74.9	\$50.2	\$66.6

Sources: Ontario, Ministry of Municipal Affairs and Housing, *Financial Information Return*; Statistics Canada, *2006 Census*, *2011 Census*, *2016 census*, *2021 census*, *Census Profile*, *NHS Profile*; Table 18-10-0005-01.

Richmond Hill experienced a substantial deterioration in operating efficiency and effectiveness from 2009 to 2021, ranking at the bottom compared to other municipalities. However, this issue has not received the recognition or attention it deserves. During the first year, the new council underestimated the complexity of the situation, and believe that the city merely required a cosmetic touch-up, rather than fundamental changes to its operating model. Consequently, there has been minimal tangible progress in municipal operations.

**The goal of this study is not to assign blame but to gain a clear understanding of our city's current situation. This understanding is crucial for establishing consensus on the next steps towards creating A Better Richmond Hill.**