



TO: GENERAL COMMITTEE

SUBJECT: 2019 TAX RATES

WARD: ALL

PREPARED BY AND KEY CONTACT: C. SMITH, SENIOR MANAGER, ACCOUNTING AND REVENUE, EXT. 5128

SUBMITTED BY: C. MILLAR, DIRECTOR OF FINANCE AND TREASURER

GENERAL MANAGER APPROVAL: D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the tax rates for the 2019 taxation year be established as set out in Appendix "A" to Staff Report FIN005-19.
2. That the City Clerk be authorized to prepare all necessary by-laws to establish the 2019 tax rates as described herein.

PURPOSE & BACKGROUND

Report Overview

3. The purpose of this report is to establish the 2019 tax rates based on the budgetary requirements approved in the 2019 Business Plan.
4. On January 28, 2019, Motion 19-G-016 (as amended) was approved by Council. It established the 2019 Business Plan total property tax levy requirement at \$238,564,346.
5. On April 29, 2019, Council approved FIN004-19 - 2019 Tax Ratios and Capping Policies. The 2019 tax rates are based on the approved recommendations from this report.

ANALYSIS

6. The 2019 tax rates are presented in Appendix A. The tax rates are calculated by determining the amount each property class needs to contribute based on established tax ratios in order to generate the property tax levy requirement of \$238,564,346.
7. It is anticipated that the final 2019 property tax bills will be issued in June. The instalment due dates proposed for the balance of 2019 are June 28, and September 30. Proposed installment dates for taxpayers participating in the City of Barrie's (City) pre-authorized monthly payment plan are June 28, July 31, August 30, September 30, and October 31, 2019. As in previous years, the final tax rate by-law will establish penalties and interest rates at 1.25% per month in accordance with the *Municipal Act, 2001*.

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8. In addition to collecting Municipal taxes, the City is also required to collect education taxes on behalf of the Province. The Province establishes the education rates each year by regulation. The residential education rates have been set to revenue neutral province wide. Multi-residential, farm, and managed forest classes are included as part of the residential classification.
 9. There are new provisions related to Education Property Tax Rates for Commercial and Industrial vacant and excess land. At this time there is no change to the municipal discount factors for these subclasses; however, the Province will be phasing out the education discount portion.
 10. Rates for utility transmission corridors and railway rights-of-way are also established by Provincial Regulation.
 11. Payment in lieu (PIL) of taxes are billed and collected in accordance with Provincial Regulation (O. Reg. 382/98) based on assessed values from the Municipal Property Assessment Corporation (MPAC), and the tax rates that would be used if the properties were taxable. Properties that are subject to (PIL) of taxes are typically government owned properties, hospitals, and colleges/universities. For hospitals, PIL is calculated based on the number of beds, and for colleges/universities, the calculation is based on "heads" or number of students.
 12. For a home assessed at \$336,000, the residential property tax bill will increase by \$124, or 2.88%.

ENVIRONMENTAL MATTERS

13. There are no environmental matters related to the recommendations.

ALTERNATIVES

14. There are no alternatives for Council to consider, as tax rates are a prescribed calculation based on the tax levy, tax ratios, and tax policies approved by Council for 2019.

FINANCIAL

15. There are no direct financial implications to the City associated with the recommendations regarding the tax rates. However, postponing a decision about the 2019 tax rates would create a delay in issuing the 2019 final property tax bills, which could create a financial constraint on the City's cash flows.

LINKAGE TO 2018-2022 STRATEGIC PLAN

16. This is an operational matter that is not specifically related to the goals identified in the 2018-2022 Strategic Plan.



APPENDIX "A" - 2019 PROPOSED TAX RATES

Property Class	Municipal Tax Rate	School Rate	Total Rate	Total Municipal Levy (\$)	Total Education Levy (\$)	Total Levy (\$)
R - Residential Full	1.071466%	0.161000%	1.232466%	170,297,555	25,589,152	195,886,708
C - Commercial Full	1.535546%	1.030000%	2.565546%	27,497,974	18,444,851	45,942,825
C - Commercial Vacant Land	1.074882%	0.875500%	1.950382%	657,524	535,558	1,193,082
C - Commercial Vacant Units/Excess Land	1.074882%	0.875500%	1.950382%	645,925	526,111	1,172,035
D - Office Building	1.535546%	1.030000%	2.565546%	789,353	529,475	1,318,828
D - Office Vacant Units/ Excess Land	1.074882%	0.875500%	1.950382%	0	0	0
X - Commercial New Construction Full	1.535546%	1.030000%	2.565546%	6,871,424	4,609,154	11,480,577
X - Commercial New Construction Excess Land	1.074882%	0.875500%	1.950382%	238,178	193,998	432,177
F - Farm	0.267867%	0.040250%	0.308117%	69,382	10,425	79,808
FAD- 1 - Farmland Awaiting Development - Phase 1	0.803600%	0.120750%	0.924350%	0	0	0
FAD 2 - Farmlands Awaiting Development - Phase 2	1.071466%	0.161000%	1.232466%	0	0	0
I - Industrial Full	1.624694%	1.107277%	2.731971%	3,484,205	2,374,589	5,858,793
I - Industrial Vacant Lands	1.056051%	0.913504%	1.969555%	1,414,904	1,223,918	2,638,821
I - Industrial Vacant Units and Excess Land	1.056051%	0.913504%	1.969555%	108,071	93,484	201,555
J - Industrial New Construction Full	1.624694%	1.030000%	2.654694%	861,862	546,391	1,408,253
J - Industrial New Construction Vacant Land	1.056051%	0.849750%	1.905801%	0	0	0
J - Industrial New Construction Full - Excess Land	1.056051%	0.849750%	1.905801%	22,414	18,035	40,449
L - Large Industrial Full	1.624694%	1.107277%	2.731971%	522,392	356,026	878,417
L - Large Industrial Vacant/Excess	1.056051%	0.913504%	1.969555%	30,380	26,280	56,660
M - Multi-Residential	1.071466%	0.161000%	1.232466%	8,206,194	1,233,074	9,439,269
N - New Multi-Residential	1.071466%	0.161000%	1.232466%	1,501,602	225,633	1,727,235
P - Pipelines	1.182833%	1.030000%	2.212833%	454,882	396,107	850,988
S - Shopping Centres	1.535546%	1.030000%	2.565546%	11,088,705	7,437,985	18,526,690
S - Shopping Centres Vac. Units	1.074882%	0.875500%	1.950382%	14,525	11,831	26,356
Z- Shopping Centre New Construction - Full	1.535546%	1.030000%	2.565546%	3,634,823	2,438,135	6,072,958
Z- Shopping Centre New Construction - Excess Land	1.074882%	0.875500%	1.950382%	150,099	122,256	272,355
T - Managed Forest	0.267867%	0.040250%	0.308117%	1,973	296	2,270
R - Residential School Only	0.000000%	0.161000%	0.161000%	0	13,291	13,291
TOTAL				\$238,564,346	\$66,956,055	\$305,520,400