
SUBJECT: 2021 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 2021 taxation year be established as identified in Appendix "A" to Staff Report FIN008-21.
2. That the City Clerk be authorized to prepare all necessary by-laws to establish the 2021 tax rates as described within Staff Report FIN008-21.

PURPOSE & BACKGROUND

Report Overview

3. The purpose of this report is to establish the 2021 tax rates based on the budgetary requirements approved in the 2021 Business Plan.
4. On January 25, 2021, Motion 21-G-006 (as amended) was approved by Council. It established the 2021 Business Plan total property tax levy requirement at \$254,940,526.
5. On April 26, 2021, Council approved FIN006-21 - 2021 Tax Ratios and Capping Policies. The 2021 tax rates are based on the approved recommendations from this report.

ANALYSIS

6. The 2021 tax rates are presented in Appendix A. The tax rates are calculated by determining the amount each taxable property class needs to contribute based on established tax ratios in order to generate the property tax levy requirement of \$254,940,526.
7. It is anticipated that the final 2021 property tax bills will be issued in early June. The instalment due dates proposed for the balance of 2021 are June 30, and September 30. Proposed instalment dates for taxpayers participating in the City of Barrie's (City) pre-authorized monthly payment plan are June 30, July 30, August 31, September 30 and October 29. For property tax billed in 2021, the final tax rate by-law will establish penalties and interest rates at 1.25% per month in accordance with the *Municipal Act, 2001*, beginning on October 1, 2021. Motion 21-G-077 (as amended) waives all late fees associated with City of Barrie 2021 property tax payments until October 1, 2021

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 under Ontario Regulation 400/98, as amended. Multi-residential, farm, and managed forest classes are included as part of the residential classification.
9. The Province had completed a phase-out of the tax rate discount factors for Education purposes for commercial and industrial vacant and excess land, and motion 21-G-097 authorized the removal of those same discounts for the City portion of the tax effective for 2021.
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, as amended, 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, the PIL is calculated based on the number of beds, and for colleges/universities, the calculation is based on "heads" or number of students as supplied to the City.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

12. There are no environmental or climate change impact matters related to the recommendation.

ALTERNATIVES

13. There are no alternatives for Council to consider in terms of the tax rates, as they are a prescribed calculation based on the tax levy, tax ratios, and tax policies approved by Council for 2021.
14. The following alternative is available for consideration by General Committee:

Alternative #1 General Committee could choose to change the instalment or monthly pre-authorized due dates.

This alternative is not recommended as it would pose a strain on the City's cash flow requirements

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 2021 tax rates would create a delay in issuing the 2021 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"
2021 Proposed Tax Rates

Property Class	Tax Class Qualifier	Municipal Tax Rate	Education Rate	Total Rate	Total Municipal Levy (\$)	Total Education Levy (\$)	Total Levy (\$)
R - Residential Full	RT	1.065959%	0.153000%	1.218959%	182,178,798	26,148,619	208,327,417
C - Commercial Full	CT	1.527654%	0.880000%	2.407654%	27,435,568	15,804,172	43,239,740
C - Commercial Excess Land	CU	1.527654%	0.880000%	2.407654%	660,056	380,223	1,040,279
C - Commercial Vacant Land	CX	1.527654%	0.880000%	2.407654%	986,392	568,208	1,554,600
D - Office Building Full	DT	1.527654%	0.880000%	2.407654%	795,374	458,173	1,253,547
D - Office Building Excess/Vacant Land	DU, DX	1.527654%	0.880000%	2.407654%	0	0	0
X/Y - Commercial/Office Building New Full	XT, YT	1.527654%	0.880000%	2.407654%	7,505,716	4,323,644	11,829,360
X/Y - Commercial/Office Building New Excess Land	XU, YU	1.527654%	0.880000%	2.407654%	375,367	216,229	591,596
F - Farm Full	FT	0.266490%	0.038250%	0.304740%	64,978	9,327	74,305
I - Industrial Full	IT	1.616343%	0.880000%	2.496343%	3,778,041	2,056,912	5,834,953
I - Industrial Vacant Land	IX	1.616343%	0.880000%	2.496343%	2,163,547	1,177,919	3,341,466
I - Industrial Excess Land	IU	1.616343%	0.880000%	2.496343%	91,569	49,854	141,423
J - Industrial New Construction Full	JT	1.616343%	0.880000%	2.496343%	970,637	528,452	1,499,089
J - Industrial New Construction Vacant Land	JX	1.616343%	0.880000%	2.496343%	0	0	0
J - Industrial New Construction Excess Land	JU	1.616343%	0.880000%	2.496343%	50,393	27,436	77,829
L - Large Industrial Full	LT	1.616343%	0.880000%	2.496343%	459,570	250,208	709,778
L - Large Industrial Excess Land	LU	1.616343%	0.880000%	2.496343%	43,932	23,918	67,850
M - Multi-Residential Full	MT	1.065959%	0.153000%	1.218959%	9,269,374	1,330,458	10,599,832
N - New Multi-Residential Full	NT	1.065959%	0.153000%	1.218959%	1,714,736	246,127	1,960,863
P - Pipelines Full	PT	1.176754%	0.550000%	1.726754%	466,218	348,647	814,865
S - Shopping Centre Full	ST	1.527654%	0.880000%	2.407654%	11,268,558	6,491,217	17,759,775
S - Shopping Centre Excess Land	SU	1.527654%	0.880000%	2.407654%	21,881	12,604	34,485
Z - Shopping Centre New Construction Full	ZT	1.527654%	0.880000%	2.407654%	4,170,766	2,402,557	6,573,323
Z - Shopping Centre New Construction Excess Land	ZU	1.527654%	0.880000%	2.407654%	42,588	24,533	67,121
T - Managed Forest Full	TT	0.266490%	0.038250%	0.304740%	2,079	298	2,377
R - Residential Education Only	RD	0.000000%	0.153000%	0.153000%	0	1,429	1,429
Industrial Payment in Lieu Properties- Hydro	IH, IJ, IK	1.616343%	0.980000%	2.596343%	132,304	80,217	212,521
Commercial Payment in Lieu Properties- Hydro	CH, CJ	1.527654%	0.980000%	2.507654%	292,084	187,374	479,458
TOTAL					\$254,940,526	\$63,148,755	\$317,397,302