

DATE: April 22, 2024

REPORT NO: T-09-2024

SUBJECT: **2024 Tax Rate By-Law**

CONTACT: Katelyn Repovs, CPA, CA, Acting Director of Finance
Lisa Kasko-Young, Property Tax and Payroll Coordinator

OVERVIEW:

- This report establishes the rates of taxation for the year 2024, in accordance with the approved 2024 operating and capital budget, and the 2024 Region of Niagara tax policy.
- Staff will use these rates in order to calculate the Final Tax Bills, to be issued to property owners in late June 2024, with due dates of July 31st and September 27th.

RECOMMENDATION:

- 1) That Recommendation Report T-09-2024 dated April 22, 2024, regarding the “2024 Tax Rate By-Law”, be received; and
- 2) That the 2024 tax rates attached as Schedule A to report T-09-2024 be approved; and,
- 3) That By-Law 2024-24 to set the rates of taxation for the year 2024 be approved.

ALIGNMENT TO STRATEGIC PLAN:

Strategic Priority #4

- **ADVANCE** organizational capacity and effectiveness

BACKGROUND:

At the February 26, 2024 Council Meeting, a general tax levy of \$9,709,110, an urban service area levy of \$186,320 and a hospital levy to support the rebuild of the West Lincoln Memorial Hospital of \$226,500 were approved. These levies are required to support the approved 2024 Operating Budget of \$21.8 million and the 2024 Capital Budget of \$10.3 million. This report outlines the Township’s 2024 tax rates, as well as the rates required to collect taxes on behalf of the Region of Niagara and the four area School Boards.

CURRENT SITUATION:

The tax rates are derived from the property assessment values provided by the Municipal Property Assessment Corporation (MPAC) and the tax ratios established by the Region of Niagara. The tax rates for the Township and the Region are based on the 2024 approved budget requirements, while the tax rates for education are provided by the Province.

In accordance with the Municipal Act, tax policies are set at the regional level for all local municipalities. The Region of Niagara Council approved their 2024 tax policy on March 21, 2024. Details of the 2024 Tax Policy can be found in the Region of Niagara’s Corporate Services Committee Report (CSD 7-2024).

Schedule A attached to this report outlines the 2024 tax rates, which includes the Township rates, the Regional rates and the Education rates. The Township rates are calculated based on the tax levy approved by Council as part of the 2024 budget. Overall, the Township portion of the tax bill (including the Hospital and Urban Service Area levies) accounts for 32% of the total tax bill.

The chart below breaks down total taxes paid for an average single family residential home with an assessment of \$388,600.

	2023 Total Taxes	2024 Total Taxes	\$ Change	% Change
Assessment	\$ 388,600.00	\$ 388,600.00	\$ -	0.00%
Municipal	\$ 1,549.25	\$ 1,650.35	\$ 101.10	6.53%
Hospital	\$ 30.07	\$ 38.50	\$ 8.43	28.03%
Total Township	\$ 1,579.32	\$ 1,688.85	\$ 109.53	6.94%
Total Region	\$ 2,712.33	\$ 2,878.60	\$ 166.27	6.13%
Education	\$ 594.56	\$ 595.00	\$ 0.44	0.07%
TOTAL	\$ 4,886.21	\$ 5,162.45	\$ 276.24	5.65%
Urban Service Area	\$ 74.14	\$ 72.26	\$ (1.88)	-2.54%
TOTAL WITH URBAN SERVICE AREA	\$ 4,960.35	\$ 5,234.71	\$ 274.36	5.53%

FINANCIAL IMPLICATIONS:

Without setting rates of taxation for 2024, we would not be able to collect the necessary tax revenue required to provide services to our community in accordance with the approved 2024 budget. Property Taxes are the largest source of revenue for the Township and fund more than 54% of the services delivered by us to our residents.

Township staff will issue a Final Tax Bill in late June, which will require two instalment payments: July 31st and September 27th. The Final Tax Bill will collect not only the Township’s property taxes, but those of the Region of Niagara and the School Boards. Staff will then remit funds to the Niagara Region based on the dates outlined in their By-Law 2024-18 and to the School Boards based on legislated dates.

INTER-DEPARTMENTAL COMMENTS:

This report was reviewed by the Interim CAO/Treasurer.

CONCLUSION:

It is recommended that Council accept this report as an item of information and approve the tax rates outlined in Schedule A.

ATTACHMENTS:

Schedule A – Schedule A to Report T-09-2024 and to By-Law 2024-24

Schedule B – By-Law 2024-24 To set the rates of taxation for 2024

Prepared & Submitted by:



**Katelyn Repovs, CPA, CA
Acting Director of Finance**

Reviewed & Approved by:



**Donna DeFilippis, CPA, CA
Interim CAO/Treasurer**