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**CITY OF BELLEVILLE**  
**Andrea Steenburgh, Manager of Taxation**  
**Finance Department**  
**Report No. MTF-2023-03**  
**April 5, 2023**

**To:** Mayor and Members of Council  
**Subject:** 2023 Property Assessment Analysis

**Recommendation:**

"THAT Report No. MTF-2023-03, dated April 5, 2023, regarding 2023 Property Assessment Analysis, is received."

**Strategic Plan Alignment:**

The City of Belleville's Strategic Plan identifies nine strategic themes. The details of the City's property assessment outlined in this report align with each of the themes and the City's financial sustainability vision statement.

**Background:**

The 2020 assessment roll represented the final year of the province-wide assessment update based on the January 1, 2016, valuation date. Eligible assessment increases were phased-in over the 4-year period 2017-2020. Any decreases in assessment at the January 1, 2016, valuation date were recognized in their entirety in 2017.

Pursuant to regulation, 2021 was planned to be the first year of the next assessment cycle with properties to be based on January 1, 2019, values. To mitigate the effects of the COVID-19 pandemic, the Province elected to defer the re-assessment and the municipality is still awaiting confirmation on when the next assessment cycle will be.

Assessed values continue to be based on a January 1, 2016 valuation date, with changes in assessment representing new or supplementary assessments added.

**Analysis:**

2023 Returned Assessment

Based on the 2023 returned assessment, the City of Belleville has 21,217 taxable properties with a total value for property taxation purposes of \$6.65 billion. Included in this total is \$445.26 million in “exempt” assessment which represents 6.7% of total assessment for the City. For the purposes of assessment-based property taxation, exempt properties include but are not limited to:

- |                        |                                  |
|------------------------|----------------------------------|
| Churches               | Schools, Colleges & Universities |
| Municipal property     | Highways and toll                |
| Airports               | Conservation lands               |
| Land used by Veterans  | Houses of refuge                 |
| Charity owned property | Children’s Aid Societies         |

The City’s assessment base is comprised of various property classes as shown in the following table comparative to 2022:

City of Belleville Assessment								
Property Class	Total 2022 Assessment	2022 to 2023			Total 2023 Assessment	2022 to 2023		
		Growth	Phase In (Equity)			Growth	Phase In (Equity)	
			Total	Total			Total	Total
Residential	4,331,031,941	90,925,409	-	90,925,409	4,421,957,350	2.10%	0.00%	2.10%
Multi-Residential	295,837,800	(6,816,000)	-	(6,816,000)	289,021,800	-2.30%	0.00%	-2.30%
Commercial	1,180,433,495	(771,500)	-	(771,500)	1,179,661,995	-0.07%	0.00%	-0.07%
Industrial	180,464,800	1,334,700	-	1,334,700	181,799,500	0.74%	0.00%	0.74%
Farms	103,111,200	(1,303,700)	-	(1,303,700)	101,807,500	-1.26%	0.00%	-1.26%
Other	25,575,000	92,000	-	92,000	25,667,000	0.36%	0.00%	0.36%
<b>Total Taxable</b>	<b>6,116,454,236</b>	<b>83,460,909</b>	<b>-</b>	<b>83,460,909</b>	<b>6,199,915,145</b>	<b>1.36%</b>	<b>0.00%</b>	<b>1.36%</b>
Exempt	444,146,200	1,115,100	-	1,115,100	445,261,300	0.25%	0.00%	0.25%
<b>Total Assessment</b>	<b>6,560,600,436</b>	<b>84,576,009</b>	<b>-</b>	<b>84,576,009</b>	<b>6,645,176,445</b>	<b>1.29%</b>	<b>0.00%</b>	<b>1.29%</b>

As there is no phase-in for 2023, the change in assessment is solely attributable to new assessment (growth) net of any reductions in assessment. Assessment growth reflects construction, additions, improvements, and changes in property use. Reductions in assessment can occur due to the settlement of requests for reconsideration, appeals, demolition and change in property use.

Multi-Residential Assessment

In 2023, The City of Belleville witnessed many Multi-Residential properties moving from Multi-Residential to Residential Condo Units due to lower tax rates and other benefits outside of taxation. This resulted in a shift of assessment from the multi-residential assessment base to residential.

Commercial Assessment

Many assessment appeals launched with the Assessment Review Board (ARB) in prior years had a backlog due to COVID-19. That backlog was cleared in 2022. A number of these appeals were related to retail, hospitality services and office buildings.

Farmland Assessment

Assessment appeals and re-classifications have resulted in lower total assessments from 2021 to 2023. Further impact is expected to the 2023 assessment on Farmland, due to the new Farm Forestry Exemption that came into effect January 1, 2023. The Municipal Property Assessment Corporation has estimated an impact of approximately \$2.2 million in assessment moving from the Farmland classification to Exempt.

The changes in these particular assessment classes has resulted in an increased percentage of the tax burden to be shifted to the residential class. Increasing the residential at 0.53% while reducing most noticeably commercial by 0.24% and multi-residential by 0.16%.

Within the City's four billing tables, there is a wide variation in assessment change. The following table outlines the relative shift in assessment by billing table from 2022 to 2023 as well as their proportionate share of total assessment:

Property Area	Total 2022 Assessment (\$)	Total 2023 Assessment (\$)	Change in Assessment (\$)	% Change in Assessment (%)	Share of Total Assessment (%)
Belleville Urban	4,900,693,036	4,958,004,036	57,311,000	1.17%	74.61%
Cannifton Urban	106,614,400	75,981,400	(30,633,000)	-28.73%	1.14%
Cannifton Rural	608,009,100	654,641,809	46,632,709	7.67%	9.85%
Rural	945,283,900	956,549,200	11,265,300	1.19%	14.39%
<b>Total Assessment</b>	<b>6,560,600,436</b>	<b>6,645,176,445</b>	<b>84,576,009</b>	<b>1.29%</b>	<b>100.00%</b>

*(Note: Approximately \$32 million increase in Belleville Urban and decrease of same amount in Cannifton Urban due to Transit Boundary Change. Adjusting for the reclassification between tables Belleville Urban % Change in assessment would be 0.52%, and Cannifton Urban would be 1.12%)*

Based on 2022 City Tax Rates, the incremental (growth) assessment of \$84.58 million would generate approximately \$1.05 million in property taxation.

Assessment at Risk

Assessment at Risk results from appeals launched by taxpayers. Taxpayers in all classes, who disagree with MPAC's assessment of their property value or classification, can submit a Request for Reconsideration (RFR) to MPAC. The deadline for submitting a RFR is provided on each Property Assessment Notice. As all municipalities issue tax bills based on returned assessment, any subsequent appeal constitutes a potential liability for the City. In recent years, we have witnessed many Commercial appeals which have resulted in significant reductions in assessment.

Since 2016, there have been 12,531 Assessment Appeals of which 172 remain open and unresolved. The major financial impact of these appeals is the result of Commercial, Shopping Centre and Industrial assessment and while the number of appeals relative to total City properties is low, the assessments under appeal remain significant.

City of Belleville Reconsiderations & Appeals							
Tax Year	Property Count		Total City CV Assessment	Assessment Appeals			
	Total	Appealed		Original CV Assessment	% Appealed	Currently Outstanding CV Assessment	Municipal Taxes
2016	18,903	185	5,571,198,452	574,440,068	10.31%	5,424,000	145,044
2017	19,252	459	5,759,634,625	850,366,083	14.76%	-	-
2018	19,487	153	6,015,628,625	739,143,119	12.29%	-	-
2019	20,200	148	6,268,028,738	769,931,909	12.28%	-	-
2020	20,428	151	6,463,913,042	646,922,100	10.01%	-	-
2021	20,645	106	6,590,299,039	655,865,500	9.95%	221,578,000	6,433,149
2022	20,926	46	6,638,258,370	559,186,291	8.42%	314,124,000	9,390,275
2023 to date	21,208	5	6,645,176,445	1,324,000	0.02%	317,296,000	N/A
			<b>49,952,137,336</b>	<b>4,797,179,070</b>		<b>858,422,000</b>	<b>15,968,468</b>

Since 2017, the City has paid out \$8.8 million in tax adjustments due from successful assessment appeals:

Year	Tax Adjustments	
	Processed	Budget
2017	4,020,802	3,500,000
2018	713,902	3,500,000
2019	326,950	3,500,000
2020	2,258,052	3,500,000
2021	886,568	3,500,000
2022	582,025	3,500,000
	<b>8,788,299</b>	

<sup>1</sup> Count is as of March 14, 2023

<sup>2</sup> Count is as of March 14, 2023

We have budgeted for eventual appeal assessments aggressively since 2017. As the timing of an appeal decision is generally unknown, any funds remaining in our adjustment accounts at year end is transferred to the Tax Rate Stabilization Reserve Fund. For 2022, approximately \$1M has been transferred from this reserve fund:

2022 Results	Budget	Actual	Variance
<b>A. Tax Adjustments</b>			
Charity Rebates	91,800	106,648	(14,848)
Adjustments - Capping	-	565	(565)
Seniors & Disabled Rebates	281,000	271,981	9,019
Taxes Written off City Properties	-	6,095	(6,095)
Tax Adjustments - Core and Other	3,500,000	3,644,950	(144,950)
Tax Adjustments - BDIA Improver	-	17,251	(17,251)
Tax Adjustments - PILS	75,000	66,295	8,705
	3,947,800	4,113,785	(165,985)
<b>B. Supplementary Taxes</b>	1,900,000	1,061,129	838,871
<b>Projected Transfer at Year End</b>			<b>\$ 1,004,856</b>

For 2023, a further budget of \$3.5 million is proposed. This funding combined with the reserve balance will provide the City with funds to settle appeals in 2023 and later.

As a rough estimate, using the Commercial tax rates for the years in question, an appeal decision rendering an average 25% reduction in assessment would produce a liability for the City of approximately \$7.7 million. As tax appeals commonly take several years to be resolved, the eventual expenditures resulting from current outstanding claims would be determined over years to come.

The municipal law as it relates to property taxation continues to be subject to challenge. In reaction to the effects of the COVID-19 pandemic, some large commercial property owners, ineligible for government relief programs, filed claims for Section 357 tax relief due to the emergent issues created by the pandemic. While these claims were denied by the Assessment Review Board (ARB), the ruling was challenged in court. Municipalities across Ontario and the ARB are awaiting decision. The remaining assessment at risk is approximately \$493 million from 2021.

#### Supplementary and Omitted Assessments

Assessment increases that occur after the annual assessment roll has been returned are liable for property taxation. These assessment increases can be supplementary - arising from changes to property values (triggered by building construction), classification, or tax-exempt status - or omissions from the roll as it was returned. Omitted assessments can only be issued for the two preceding tax years.

MPAC is responsible for notifying property owners of any change in property value resulting from a supplementary or omitted assessment. The City issues

supplementary/omitted tax bills upon notification by MPAC. A summary of annual supplementary and omitted tax bills is outlined below:

Year	Supplementary Tax Bills	Budget
2017	3,041,656	1,000,000
2018	1,988,612	1,000,000
2019	1,882,636	1,500,000
2020	1,963,228	1,600,000
2021	1,911,123	1,800,000
2022	1,061,130	1,900,000
	11,848,385	

For 2023, staff is proposing a budget for supplementary and omitted taxes of \$1,900,000.

**Conclusion:**

The City has benefited from considerable residential growth in recent years. However, continuing commercial tax appeals have and continue to pose a significant cost to the City. Staff continues to monitor these issues and has developed Operating Budget provisions to ensure any future liabilities are addressed.

Respectfully submitted,



Andrea Steenburgh,  
Manager of Taxation



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**CITY OF BELLEVILLE**  
**Andrea Steenburgh**  
**Manager of Taxation**  
**Finance Department**  
**Report No. MTF-2023-04**  
**April 5, 2023**

**To:** Mayor and Members of Council

**Subject:** Property Tax Rebate Programs for: Low Income Seniors and Persons with Disabilities

**Recommendation:**

“THAT pursuant to the Manager of Taxation’s Report No. MTF-2023-04; Property Tax Rebate Programs for: Low Income Seniors and Persons with Disabilities be received and referred to Issue No. D6-1”

**Strategic Plan Alignment:**

The City of Belleville’s Strategic Plan identifies nine strategic themes. The City’s municipal tax rates outlined within this report aligns with each of the City’s nine strategic themes and the City’s vision statement of financial sustainability.

**Background:**

The information contained in this report is provided to Council for consideration of the continuation of the City’s Low-Income Seniors and Disabled Person Property Tax Rebate Program for the term of Council (2023-2026 taxation years).

The Municipal Act, 2001, S.O. 2001, c. 25, section 319 (1)(a)(b) states:

*“For the purposes of relieving financial hardship, a municipality, other than a lower-tier municipality, may pass a by-law providing for deferrals or cancellation of, or other relief in respect of, all or part of a tax increase for 1998 and subsequent years on property in the residential property class for persons assessed as owners who are, or whose spouses are,*

- (a) low-income seniors as defined in the by-law; or*
- (b) low-income persons with disabilities as defined in the by-law.”*

**Analysis:**

At the Council Meeting of February 13, 2023, Council requested a staff report for consideration in the 2023 Operating Budget to incrementally increase the ODSP and Low-income Seniors Property Tax Credit by \$100 in 2023, \$100 in 2024, \$100 in 2025 and \$100 in 2026.

Program Criteria

For the purposes of this report and the property tax assistance programs, the following definitions are provided:

Low Income Seniors	Low Income Disabled Persons
<ol style="list-style-type: none"> <li>1. Applicant and spouse (if applicable) solely own and occupy their property as their principal residence.</li> <li>2. Applicant must be sixty-five years of age or older as of December 31<sup>st</sup>, of the preceding year.</li> <li>3. Applicant must be receiving a monthly guaranteed income supplement under Part II of the Old Age Security Act, (Canada).</li> </ol> <p>Under the guaranteed income supplement program, the income threshold ranges from \$20,832 up to \$38,592 dependent on individual circumstance.</p>	<ol style="list-style-type: none"> <li>1. Applicant and spouse (if applicable) solely own and occupy their property as their principal residence.</li> <li>2. Applicant must be currently receiving Ontario Disability Support Program Benefits.</li> <li>3. Applicant must be receiving the maximum monthly shelter allowance.</li> </ol> <p>Under the Ontario Disability Support Program (ODSP) the monthly shelter allowance provides assistance for shelter costs up to the maximum amounts under the program. Currently the allowances range from \$522 up to \$1,078 based on family unit and help substantiate the need for relief under the City program.</p>

These programs allow for a rebate only up to the amount levied for the identified property.

Additional resources and programs available to Ontario homeowners for grants, and reductions to assessments also exist under; The Ontario Senior Homeowners' Property Tax Grant (OSHPTG) (<https://www.ontario.ca/page/senior-homeowners-property-tax-grant>), The Ontario energy and property tax credit (OEPTC) (<https://www.ontario.ca/page/ontario-trillium-benefit#section-3>), and MPAC Exemption for Seniors and Persons with Disabilities (<https://www.mpac.ca/en/MakingChangesUpdates/ExemptionSeniorsandPersonsDisabilities>).



Comparable Municipal Tax Rebate Programs:

Annual rebates provided by comparable municipalities vary from approximately \$100 to \$550 with the average being \$416.

Eligibility requirements for each municipality can vary slightly, but generally have the following standard requirements:

1. Low-income Seniors must have received the Guaranteed Income Supplement under Part II of the Old Age Security Act, (Canada).
2. Low-income Disabled Persons must be currently receiving Ontario Disability Support Program Benefits and receiving the maximum monthly shelter allowance.
3. The property must be and remain the principal residence of the applicant.

**Financial:**

The estimated municipal costs for the City's rebate programs are dependent on the actual number of eligible applicants that apply annually. The budget estimate includes an allowance for new applications and for any reductions to the educational share of the rebate. The City's share of the programs is approximately 90% of the overall rebate, and 10% for the education portion.

A summary of the 2019 – 2022 Seniors and Disability rebate is outlined below;

<b>Council Term 2019 - 2022</b>					
Tax Year	Rebate Amount (\$)	Number of Applications	Municipal Rebate (\$)	Education Rebate (\$) (Recoverable)	Total Rebate (\$)
2019	500	332	<b>114,147</b>	14,138	128,285
2020	600	331	<b>192,180</b>	20,782	212,962
2021	700	352	<b>220,591</b>	23,560	244,151
2022	800	347	<b>271,981</b>	28,445	300,426
<b>Total over Council Term</b>			<b>\$ 798,899</b>	<b>\$ 86,925</b>	<b>\$ 885,824</b>

As requested in Council meeting February 13, 2023, Finance has prepared the Property Tax Rebate Option for the term of Council 2023-2026 to continue the increase of \$100 per year.

<b>Council Term 2023 - 2026 Projected (\$100 increase per year)</b>					
Tax Year	Rebate Amount (\$)	Number of Applications	Municipal Rebate (\$)	Education Rebate (\$) (Recoverable)	Total Rebate (\$)
2023	900	378	<b>306,180</b>	34,020	340,200
2024	1,000	390	<b>351,000</b>	39,000	390,000
2025	1,100	400	<b>396,000</b>	44,000	440,000
2026	1,200	410	<b>442,800</b>	49,200	492,000
<b>Total over Council Term Projected</b>			<b>\$ 1,495,980</b>	\$ 166,220	\$ 1,662,200

The budget in 2022 for the Low-Income Seniors and Persons with Disabilities was \$281,000. An increase in the rebate amount of \$100 in 2023 will require a budget increase of \$25,000. This represents a tax impact of 0.02% in the 2023 Operating budget. The estimated budget increase shown does not include estimate for recovery of rebates resulting from changes ownership throughout the year, due to unknown variables.

It is expected with the increase in rebate amount and application growth that the budget increase each subsequent year will be approximately \$44,000 up to \$47,000 per year.

### **Conclusion:**

The City of Belleville is a leader in financial relief to Low-income Seniors and Persons with Disabilities. This program was designed to provide qualified applicants with the ability to remain in their homes.

If approved the program will be updated for the 2023 taxation year and increases included as base budget adjustments in each subsequent budget year for approval in each year of the four year program.

It is recommended that the Property Tax Rebate Programs for: Low Income Seniors and Persons with Disabilities be received and referred to Issue No. D6-1

Respectfully submitted,



Andrea Steenburgh  
Manager of Taxation



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**CITY OF BELLEVILLE**  
**Andrea Steenburgh, Manager of Taxation**  
**Finance Department**  
**Report No. MTF-2023-01**  
**April 5, 2023**

**To:** Mayor and Members of Council

**Subject:** Municipal Property Tax Relief for Navy League of Canada

**Strategic Plan Alignment:**

The City of Belleville's Strategic Plan identifies nine strategic themes. The program identified within this Report aligns with all of the City's strategic themes

**Recommendation:**

"THAT a by-law to establish a Property Tax Relief Program equal to 100% of the City's share of the municipal taxes for the Navy League of Canada, in the City of Belleville for the term of Council (2023-2026), be prepared for Council's consideration."

**Background:**

From as far back as 2006 and possibly earlier, Council has passed full Council Term By-laws granting exemptions for taxation on properties owned by the Navy League of Canada and properties occupied by Veteran organizations occupied as a memorial home, clubhouse, or athletic grounds. In 2019, Council passed the latest by-law granting an exemption from taxation for the municipal portion only for the Navy League of Canada and these other organizations under Section 6 (1) and 6.1 (1) of the Assessment Act, R.S.O. 1990, c.A.31. This by-law expired on December 31st, 2022.

As of January of 2019, section 3 (1), 15.1, came into effect making exempt: "Land that is used and occupied as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion or by an Ontario unit of the Army, Navy and Air Force Veterans in Canada.". This removes municipal responsibility on these subject properties to enact a by-law. The Navy League of Canada properties are not included in the definition under this section, and a by-law is still

required as of 2023.

**Analysis:**

Under Section 6 (1) of the Assessment Act, municipalities may, by by-law exempt from taxation the land owned by the Navy League of Canada that is used and occupied solely for the purposes of carrying out activities of the Ontario Division of the Navy League.

This exemption applies only to the municipal portion of the tax bill. Taxes for school purposes and local improvements are excluded from the exemption.

**Financial:**

The approximate annual cost of the exemption for the City at \$5,642, is based on the 2023 Assessed value of the property and used the 2023 proposed Municipal Tax Rate. Amounts for exemptions from 2023-2026 would be based on fluctuations between Assessed Value and Annual Tax Rates.

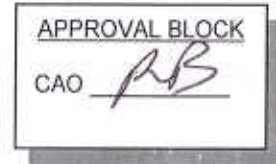
**Conclusion:**

Approval of this property tax exemption will allow for the continued good relationship and support of our local Navy League of Canada Ontario Division Chapter.

Respectfully submitted,



Andrea Steenburgh,  
Manager of Taxation



**CITY OF BELLEVILLE**  
**Brandon Ferguson**  
**Director of Finance/ Treasurer**  
**Finance Department**  
**Report No. DF-2023-07**  
**April 5, 2023**

**To:** Mayor and Members of Council  
**Subject:** Excluded Expenses as Required by Ontario Regulation 284/09

**Recommendation:**

“THAT Report No. DF-2023-07 dated April 5, 2023 regarding Excluded Expenses as required by the Municipal Act, 2001, Ontario Regulation 284/09, be received.”

**Strategic Plan Alignment:**

The City of Belleville identified nine strategic themes. The program identified in this Report aligns with the City’s strategic themes “Infrastructure”.

**Background:**

Commencing in 2011, Ontario Regulation 284/09 requires municipalities to prepare and adopt a report regarding excluded expenses before adopting the annual budget.

The implementation of PSAB standards and full accrual accounting in 2009 placed tangible capital assets and amortization on municipal financial statements. These standards do not currently apply to the preparation of municipal budgets and for this reason most municipalities continue to prepare budgets on a cash basis. Section 290 of the Municipal Act requires the preparation of balanced budgets which include all municipal revenues and expenditures for the taxation year. Under Regulation 284/09, a municipality or local board may exclude from budgeted expenses amounts for non-cash expenses as follows:

1. Amortization expenses
2. Post-employment benefits expenses
3. Solid waste landfill closure and post-closure expenses.

**Analysis:****1. Amortization expenses**

Amortization also known as depreciation, is the allocation of the cost of an asset to expense over the estimated useful life of the asset (PSAB 3150.22). 2021 Amortization expense was \$27.1 million. When additions for 2022 are considered, estimated amortization for 2022 will approximate \$28.1 million.

Amortization expenses are not budgeted as municipalities have traditionally prepared budgets on a cash basis and used funds held in reserve to finance asset replacements.

Amortization may be regarded as a broad indicator of future annual asset replacements. However it is calculated using historical costs so it does not include components such as inflation, growth or service level enhancements. A continued commitment to asset management funding is imperative to ensure that assets may be replaced as required without large swings in the tax rate or debt issuance. Commencing in 2011, Council approved an annual contribution to the Capital Levy to address a variety of asset management concerns. The proposed 2023 Operating budget allocations to the various capital reserve accounts totals \$25,660,600.

Table 1 compares amortization expenses for the City to traditional capital asset financing for 2021 through 2023.

<b>Table 1 Amortization vs. Capital Asset Financing</b>	<b>Actual 2021</b>	<b>Forecast 2022</b>	<b>Budget 2023</b>
<b>Amortization Expense</b>	<b>\$27,111,800</b>	<b>\$28,115,646</b>	<b>\$29,119,491</b>
<b>Capital Asset Financing</b>			
Operating Budget Transfer to Capital	\$5,673,200	\$5,704,500	\$0
Transfers to Capital Related Reserves			
Asset Management/Capital Levy	\$3,000,000	\$3,500,000	\$10,127,500
Capital Equipment	540,000	540,000	505,000
Police	1,000,000	510,300	620,500
Recreational Facilities	30,175	-	-
Environment	100,000	100,000	100,000
Facility	25,000	45,000	45,000
Energy	225,000	143,600	143,600
Infrastructure Oversizing	100,000	100,000	100,000
Wastewater	3,667,683	1,025,696	5,006,900
Water	10,008,256	9,759,227	9,012,100
	\$18,696,114	\$15,723,823	\$25,660,600
<b>Total Capital Asset Financing</b>	<b>\$24,369,314</b>	<b>\$21,428,323</b>	<b>\$25,660,600</b>
<b>Funding Shortfall</b>			<b>\$3,458,891</b>

## 2. Post-employment benefits expenses

The City provides certain employee benefits which will require funding in future periods. An actuarial valuation of future liabilities was updated in 2023 and forms the basis for the estimated liability reported for 2022 and estimated in the 2023 budget.

The City has annually budgeted for the current year costs of post employment benefits but does not budget for the total future liability, estimated at \$18,093,192 at December 31, 2022.

Table 2 compares the actual funding provision for post-employment benefit expenses to the total estimated liability for 2021 through 2023.

<b>Table 2</b>	<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>
<b>Post Employment Benefit Expenses</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Liability for Post Retirement Benefits based on current Actuarial Report</b>	<b>\$17,731,017</b>	<b>\$18,093,192</b>	<b>\$17,956,428</b>
Annual Budget Provision for Post Retirement Benefit Payments	550,000	550,000	550,000
Less: Funding for Vested Sick Leave Payouts	(479,400)	(432,900)	(432,900)
<b>Accumulated Reserve for Post Retirement Benefit Payments</b>	<b>8,492,459</b>	<b>8,609,559</b>	<b>8,726,659</b>
<b>Funding Shortfall</b>			<b>9,229,769</b>

## 3. Solid waste landfill closure and post-closure expenses

The Ontario Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. The estimated liability for these costs is recognized based on the cumulative capacity used to date, compared to total estimated landfill capacity. At December 31, 2022, the estimated liability for the Thurlow landfill was \$2,798,300 based on the present value of closure and post-closure costs estimated at \$3,416,434.26.

The 2023 Operating Budget includes an annual contribution of \$80,000 to the reserve fund, as well as estimated interest of \$6,000.

Table 3 provides a comparison of the estimated liability for closure costs with the actual provision set aside in the City’s reserve fund.

<b>Table 3 Solid Waste Landfill Expenses</b>	<b>Actual 2021</b>	<b>Forecast 2022</b>	<b>Budget 2023</b>
<b>Estimated Liability for Thurlow Landfill</b>	<b>\$2,682,700</b>	<b>\$2,798,300</b>	<b>\$2,900,600</b>
Annual Budget Provision for Closure Costs	\$80,000	\$86,000	\$86,000
	-	-	
<b>Accumulated Reserve for Thurlow Landfill Closure Expenses</b>	<b>894,600</b>	<b>980,600</b>	<b>1,066,600</b>
<b>Funding Shortfall</b>			<b>\$1,834,000</b>

**Conclusion:**

This Report is presented to satisfy the requirements of Regulation 284/09 and to highlight to Council the significance of these municipal expenses. If it were necessary to add these items to the City’s operating budgets (taxation and user rate funded), the cumulative effect would be an additional expense in 2023 of \$14,522,659 representing a municipal expenditure increase of 8.73%.

Respectfully submitted,

Brandon Ferguson, CPA, CA  
 Director of Finance/Treasurer





APPROVAL BLOCK	
DF	<u>BC</u>
CAO	<u>AB</u>

**CITY OF BELLEVILLE**  
**Andrea Steenburgh**  
**Manager of Taxation**  
**Finance Department**  
**Report No. MTF-2023-02**  
**April 5, 2023**

**To:** Mayor and Members of Council

**Subject:** 2023 Final Tax Billing Due Dates and Pre-Authorized Payment Dates for Residential, Multi-Residential, Commercial, Landfills, Industrial, Pipeline, Farm, Managed Forest, and all related Subclasses

**Recommendation:**

“THAT a by-law to set the final 2023 due dates for the collection of taxes and the payment of taxes by installment and pre-authorized payment plan dates for properties in the Residential, Multi-Residential, Commercial, Landfills, Industrial, Pipeline, Farm, Managed Forest and all related Subclasses, be prepared for Council’s consideration.”

**Strategic Plan Alignment:**

The City of Belleville’s Strategic Plan identifies nine strategic themes. The tax due dates outlined within this report aligns with each of the City’s nine strategic themes and the City’s vision statement of financial sustainability.

**Background:**

The City will issue final tax bills in accordance with Sections 342 and 343 of the Municipal Act, 2001 S.O. 2001, c.25, subsequent to approved budgets, requisition and or rates of all entitlements for which the City is required to levy and collect. The due dates must be at least twenty-one (21) days after the date of mailing of the tax bill. In accordance with the City of Belleville’s “Property Tax Collection Policy” 07-01-03 final taxes are payable in two (2) installments, due three (3) banking days prior to end of the months of June and September, unless unusual or unforeseen technical or administrative issues result in the delay of the final billing process.

Final taxes are also payable through the Pre-Authorized Payment Plan (PAP) program by application. The PAP program is provided for and in accordance with the City of Belleville’s “Property Tax Collection Policy” 07-01-03, of which restrictions, guidelines and enforcement of the PAP is described in the policy and on the application forms. Due date options for the PAP program are available on regular installment due dates and on a monthly plan 12 months of the year for various dates in the month.

**Analysis:**

Final taxes will be billed on all property classes within the municipality. Multiple property classes on a property will appear together on one bill.

<b>Comparison of 2022 and 2023 installment due dates</b>			
<b>2022 Tax Due Dates</b>	<b>2022 Installments</b>	<b>2023 Tax Due Dates</b>	<b>2023 Installments</b>
February 24, 2022	Interim 1	February 24, 2023	Interim 1
April 27, 2022	Interim 2	April 26, 2023	Interim 2
June 28, 2022	Final 1	June 28, 2023 (Proposed)	Final 1
September 28, 2022	Final 2	September 27, 2023 (Proposed)	Final 2

<b>2023 Pre-Authorized Payment Plan Program Dates</b>		
<b>Type</b>	<b>Interim</b>	<b>Final</b>
<b>Installment</b>	February 24, 2023 April 26, 2023	June 28, 2023 September 27, 2023
<b>Monthly (12 months of the year)</b>	1 <sup>st</sup> of the Month 8 <sup>th</sup> of the Month 15 <sup>th</sup> of the Month 22 <sup>nd</sup> of the Month	1 <sup>st</sup> of the Month 15 <sup>th</sup> of the Month 8 <sup>th</sup> and 22 <sup>nd</sup> (limited effective May 1, 2023)

In 2018 Council adopted the Monthly payment plan dates of the 1<sup>st</sup>, 8<sup>th</sup>, 15<sup>th</sup>, and 22<sup>nd</sup> of the month for 12 months of the year. The below table details the average participation in the program by date and month. The creation of additional dates for PAP has not had a significant increase in number of participants since 2018.

Year	1 <sup>st</sup> of Month	8 <sup>th</sup> of Month	15 <sup>th</sup> of Month	22 <sup>nd</sup> of Month	Total Per Month
2018	5140*	13	17	15	5186
2019	4895	69	97	71	5133
2020	4801	142	12	127	5262
2021	4686	207	272	183	5347
2022	4535	252	377	240	5404

\* 2018 1<sup>st</sup> of the month was the only monthly option until July of that year

A proposed 2023 alteration to the pre-existing PAP program is to keep currently existing plans for the 8<sup>th</sup> and 22<sup>nd</sup> of the month and offer the 1<sup>st</sup> and 15<sup>th</sup> as the suggested options. The option for the 8<sup>th</sup> and 22<sup>nd</sup> will not be removed but be limited to by request only.

This update to the program will maintain the payment options and flexibility for customers as well as optimize resources and provide for administrative efficiency.

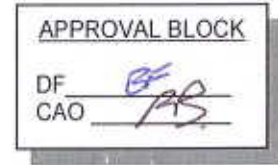
### Conclusion:

It is recommended that the 2023 final tax billing be levied by May 8, 2023, and payable in two installments or through application and acceptance to the City's PAP program.

Respectfully submitted,



Andrea Steenburgh,  
Manager of Taxation



**CITY OF BELLEVILLE**  
**Kyle Bertrand, CPA**  
**Accounting Coordinator**  
**Finance Department**  
**Report No. AC-2023-02**  
**April 5, 2023**

**To:** Mayor and Members of Council  
**Subject:** Asset Management Plan Update

**Recommendation:**

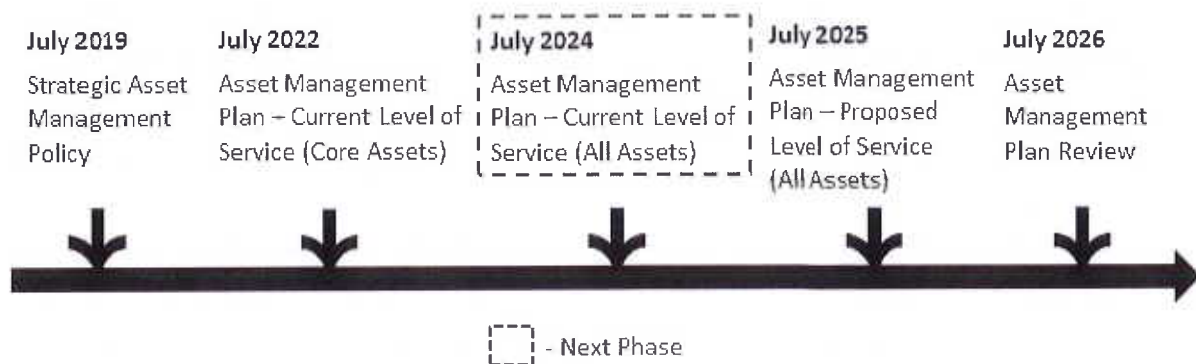
“THAT pursuant to the Accounting Coordinator’s Report No. AC-2023-02; Asset Management Plan Update be received and referred to Issue No. D4-1”

**Strategic Plan Alignment:**

The City of Belleville’s Strategic plan identifies nine strategic themes. This report aligns with the strategic themes “Infrastructure.” This project is consistent with the strategic objectives to “Develop asset management strategies and programs to resolve delivery shortfalls and protect our investment in existing infrastructure.”

**Background:**

Ontario Regulation 588/17 was introduced on December 27, 2017 and has required the City to increase its efforts and governance surrounding asset management planning. Below is a summary of the timelines under this regulation;



Upon the completion of the 2025 requirements, the municipality will be required to review and update its AMP at least every five years.

While these timelines are fairly lengthy, there are significant components under each of these requirements which need to be developed and updated. Specifically this iteration of the plan will focus on:

- Refinement and inclusion of non-core assets
- Development of a detailed 10-year capital plan
- Council and public engagement process
- Improved condition assessment data

### **Analysis/Financial:**

The Corporate asset management plan is very significant as it incorporates the City's operations and other corporate plans into an asset focused service delivery plan. Over the years it has become very apparent that Municipalities have significant infrastructure gaps, and the successful delivery of their services is deeply tied to proper asset management.

In 2021, the City retained professional consulting services for Phase 1 the Comprehensive Asset Management Plan update at a total cost of \$162,000. Based on more recent tender results from neighbouring municipalities, plus the increased scope of assets, we expect the costs for these services to increase significantly.

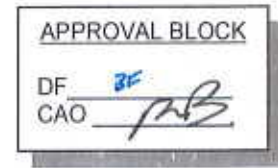
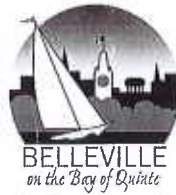
### **Conclusion:**

It is recommended that a 2023 Operating Budget issue in the amount of \$550,000 for a Comprehensive Asset Management Plan update be approved by council, with funding to come from the Ontario Infrastructure Community Fund.

Respectfully submitted,



Kyle Bertrand, CPA  
Accounting Coordinator



**CITY OF BELLEVILLE**  
**Kyle Bertrand, CPA**  
**Accounting Coordinator**  
**Finance Department**  
**Report No. AC-2023-03**  
**April 5, 2023**

**To:** Mayor and Members of Council  
**Subject:** Asset Management Contribution

**Recommendation:**

"THAT pursuant to the Accounting Coordinator's Report No. AC-2023-03; Asset Management Contribution be received and referred to Issue No. D4-2"

**Strategic Plan Alignment:**

The City of Belleville's Strategic plan identifies nine strategic themes. This report aligns with the strategic themes "Infrastructure." This project is consistent with the strategic objectives to "Develop asset management strategies and programs to resolve delivery shortfalls and protect our investment in existing infrastructure."

**Background:**

Ontario Regulation 588/17 was introduced on December 27, 2017 and will require the City to significantly increase its efforts and governance surrounding asset management. On June 27, 2019 the City passed the Strategic Asset Management Policy as required under the first phase of O.Reg 588/17. The policy not only provides a consistent framework for implementing asset management throughout the organization, but it provides transparency, accountability and demonstrates to stakeholders the legitimacy of decision-making processes which combine strategic plans, budgets, service levels and risks.

In June 2022, Council approved the 2020 City of Belleville Comprehensive Citywide Asset Management Plan, which was updated from the 2014 version to meet the new O.Reg 588/17 standards. At that time the Replacement Value of the City's infrastructure

had grown to \$2.3 billion, representing a \$1.2 billion, or nearly 100%, increase since 2014.

**Analysis/Financial:**

The City’s Asset Management Plan incorporates the City’s operations and other corporate plans into an asset focused service delivery plan. Over the years it has become very apparent that Municipalities have significant infrastructure gaps, and the successful delivery of their services is deeply tied to proper asset management.

A critical component of capital funding is the Asset Management contribution from the Operating budget. These contributions are added to the Asset Management Reserve funds maintained by the City, and moving forward will provide the majority of the funding for the City’s Capital Budget. This is consistent with the approach utilized in User funded areas.

In 2023 the proposed contribution to capital (inclusive of Police) amounts to \$11,541,600 as outlined below;

	<b><i>Proposed 2023</i></b>
City – Asset Management Contribution	10,127,500
Police - Asset Management Contribution	620,500
Fleet, Facility, Other- Asset Management Contributions	793,600
<b><i>Total – AM Contribution</i></b>	<b><i>\$ 11,541,600</i></b>

Contributions required (2020-2029) under the 2020 Asset Management Plan are outlined below;

<b><u>Asset Management Contributions</u></b>		<b><u>(\$ million)</u></b>
Contributions recommended	2020-2029	176.3
Less: Actual contributions	2020-2022	31.2
<b>Balance to be Funded</b>	<b>2023-2029</b>	<b>\$ 145.1</b>
<b>Average Contribution – annual</b>		<b>\$ 20.7</b>

As shown, to fund the shortfall over the period 2023-2029, an annual contribution of \$20.7 million is required. To reach that optimal funding level immediately in 2023, this would mean adding \$10.2 million to the Operating Budget, which represents a municipal tax levy increase of 9.08%. To mitigate the tax impact, the following contribution schedule is recommended;

	(\$ million)
<b>2023</b>	11.5
<b>2024</b>	14.3
<b>2025</b>	17.3
<b>2026</b>	20.4
<b>2027</b>	23.6
<b>2028</b>	27.1
<b>2029</b>	30.9
	<b>\$ 145.1</b>

It is critical to maintaining existing service levels that these contributions continue to increase annually as outlined above. These contributions will be reviewed and updated annually in conjunction with asset management plan updates, and all future increases will require council approval.

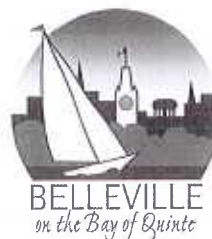
**Conclusion:**

It is recommended that an increase of \$1,000,000 is made to the Asset Management Contribution for the 2023 Operating Budget.

Respectfully submitted,

Kyle Bertrand, CPA  
Accounting Coordinator





APPROVAL BLOCK	
CAO	<u>RS</u>
DF	<u>BF</u>

# City of Belleville

Report No: GMTOS-2023-06

Meeting Date: April 05, 2023

To: Mayor and Members of Council  
Department: Transportation & Operations Services  
Staff Contact: Joseph Reid, General Manager

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**Subject: Mobility Service Option for Ward 2**

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## Recommendation:

“That pursuant to the General Manager of Transportation and Operation Services Report No.GMTOS-2023-06, Mobility Service Options for Ward 2, be received and referred to Issue No. D6-15.”

## Strategic Plan Alignment:

Transportation and Mobility: Develop a viable, affordable and accessible public transit system that addresses the needs of our citizens.

## Background:

At the Council meeting of February 13, 2023 council directed staff to cease operation of Route 9; but requested staff present an option for the extension of the mobility service to Ward 2 for consideration during the 2023 Operating Budget deliberations.

The City of Belleville has an obligation within the Accessibility for Ontarians with Disabilities Act, Section 70, to provide Mobility Service hours which mirror Conventional Transit services. This does not preclude us for providing mobility service that exceeds the conventional service.

## Financial/Analysis:

With Route 9 ceasing operations April 21, 2023, there is a potential service gap for users of our mobility service who access critical health care services and the ability to live independently.

In order to address this service gap, an option for council’s consideration is to shift the Transit-Mobility Service budget to all four (4) billing tables (Belleville Urban, Cannifton Urban, Cannifton Rural and Belleville Rural). This will ensure that all residents of Belleville, Ward 1 and Ward 2, have equal access to the mobility service as required. Currently Mobility Service is only funded by the Belleville Urban Tax Billing Table.

Currently, there are 1,203 active users (both Wards): Ward 1 – 1,185 active users and Ward 2 – 18 active users. In 2022, the mobility service provided 15,423 rides. Note: the data does not identify how many are being picked up or dropped off solely in Ward 2.

Currently mobility transit users are supported with the following shifts:

Monday and Tuesday

5:00am-10:00 am  
 8:00am – 4:10pm  
 8:00am – 4:10pm  
 4:40-11:30pm

Friday

6:00am-1:30 pm  
 8:00am – 4:10pm  
 8:00am – 4:10pm  
 3:30pm – 12:30am (split with On-Demand)

Wednesday

6:00am-1:00 pm  
 8:00am – 4:10pm  
 8:00am – 4:10pm  
 3:15pm – midnight

Saturday

5:00-10:00am  
 9:00am-7:30pm  
 12:00-3:00pm

Thursday

6:00am - 1:00 pm  
 8:00am – 4:10pm  
 8:00am – 4:10pm  
 4:00-9:00pm  
 9:15pm-12:30am (split with On-Demand)

Sunday

8:00am-6:30pm  
 6:30pm-midnight (mixed in with On-Demand)

There are three (3) new mobility buses on order; expected delivery fall 2023. Currently, there are pressures on the mobility service. However, with the arrival of the new vehicles, ongoing staff investigation into scheduling system upgrades, and adding an extra staff member to provide service on the weekends; this will help alleviate those pressures and ensure there is an acceptable service level provided across the entire municipality.

There is currently no data available to determine if there will be an uptake of mobility service needs in Ward 2, but there is a retirement residence in the Foxboro area that would benefit from the service, subject to meeting the eligibility criteria.

Estimated costs associated with a Mobility Driver:

	<u>Fiscal</u>	<u>Annual</u>
Fares	\$100	\$200
<b>Total Revenue</b>	<b>\$100</b>	<b>\$200</b>
Labour	\$43,400	\$57,800
Benefits	\$8,600	\$11,400
Pensions	\$6,300	\$8,400
Fuel	\$3,400	\$4,500
<b>Total Expense</b>	<b>\$61,700</b>	<b>\$82,100</b>
<b>Net Cost</b>	<b>\$61,600</b>	<b>\$81,900</b>

This particular Operational Budget Item has the following impact on residential budget billing tables, based on an assessed property value of \$250,000:

	<u>2023 Impact Core Mobility</u>
Belleville Urban	\$(1.37)
Cannifton Urban	\$13.77
Cannifton Rural	\$13.77
Rural	\$13.77

**Conclusion:**

It is recommended that General Manager of Transportation and Operation Services Report No. GMTOS-2023-06, Mobility Service Options for Ward 2, be received and referred to Issue No. D6-15.

Respectfully Submitted,

  
Joseph Reid  
General Manager