

December 13, 2017

To: Members
Executive Committee

Re: Regina Administration Bylaw Changes

RECOMMENDATION

1. That the amendments to Schedule B of Bylaw No. 2003-69, *The Regina Administration Bylaw*, as contained in this report and Appendix A, be approved.
2. That the City Solicitor be instructed to prepare the necessary bylaw amendments as recommended in this report and Appendix A.
3. That this report be forwarded to the December 18, 2017 meeting of City Council for approval.

CONCLUSION

Administration conducted a review of fees and charges associated with providing Assessment and Property Taxation information. The review indicated that fees and charges associated with *The Tax Enforcement Act* are not currently listed in Schedule B of Bylaw No. 2003-69, *The Regina Administration Bylaw* (Schedule B) and that some fees and charges should be increased to support the cost recovery strategy utilized by the City of Regina (City). It is recommended that the fees and charges be increased as shown in Appendix A: Proposed Schedule B Changes (Appendix A) and the fees and tax enforcement charges in Table 3 of Appendix A be added to Schedule B.

BACKGROUND

The Assessment & Taxation Department provides several different reports to customers. Customers include property owners, agents representing property owners, lawyers, mortgage companies and other individuals and organizations who require the information and are unable to obtain the information from other sources. The department charges for these reports pursuant to Schedule B. The last review of these fees and charges was conducted in 2012.

Tax enforcement fees and charges are currently not listed in Schedule B. Rather, they are being applied based on a council resolution that was passed in 1999. In accordance with Sections 19(1) (a) (vi) of *The Tax Enforcement Act*, the City has authority to charge for administrative costs associated with certain steps of tax enforcement. These fees and charges have not increased since the resolution was passed in 1999.

DISCUSSION

The Assessment & Taxation Department provides customers, such as property owners, lawyers, mortgage companies and other agencies information through various types of reports. Fees are charged for providing such information as allowed by *The Cities Act*. These fees and charges were last reviewed in 2012. While technological improvements have been made since then, increases in administrative costs and resources required for online delivery have led to an overall increase in cost for providing these reports to customers. Proposed changes are shown in Appendix A.

In addition to the fee for service charges there are also tax enforcement charges allowed by *The Tax Enforcement Act*. These charges include administrative costs incurred by the municipality to resolve outstanding tax arrears subject to the regulations and are currently not listed in Schedule B. Administration process changes and system improvements have led to significantly different costs being associated with each step of the tax enforcement process. It is recommended that all tax enforcement fees and charges in Table 3 of Appendix A be increased to reflect the cost associated with providing the services listed and added to Schedule B.

Cross Jurisdictional Comparison

As part of the review, the City's taxation fees, current and proposed, were compared to those of other municipalities. A full comparison is shown in Table 1: Taxation Fees and Charges of Appendix B: Cross Jurisdictional Comparison (Appendix B). The comparison shows that municipalities in the province of Saskatchewan charge fees similar to the City's current fees. The City of Regina and City of Saskatoon are the only Saskatchewan cities that offer online services. The City of Moose Jaw and City of Prince Albert are currently in the process of increasing their fees. The City of Saskatoon has not done a fee review in recent years. Except for the City of Calgary, all municipalities outside the province charge fees that are higher than the City of Regina's proposed fees. Increasing taxation fees are recommended to cover the cost of processing the requests.

Assessment fees and charges were compared to Saskatoon, Calgary and Edmonton. These jurisdictions have comparable services to the assessment services offered at the City of Regina. The comparison found that the City of Regina's current fees were far below the fees in Calgary and Edmonton but are comparable to the City of Saskatoon. However, the fees in Saskatoon have not been reviewed in recent years. The City of Calgary and City of Edmonton fees were last updated in 2016. For a detailed comparison of Assessment fees see Table 2: Assessment Fees and Charges in Appendix B: A Cross Jurisdictional Comparison.

The tax enforcement charges for the City were compared to other municipalities in Saskatchewan. The City of Regina fees are currently lower than all others in the comparison. The full comparison is shown in Table 3: Tax Enforcement Fees and Charges of Appendix B. Though the other municipalities have substantially higher tax enforcement fees, it is believed that if the City increased its fees to be in line with these other municipalities, it would cause further

hardship to property owners already having difficulties paying their taxes. Simply aligning our fees with these municipalities would not be consistent with the City's cost recovery strategy. The proposed fee increases are reflective of the actual costs incurred by the City at each step of the tax enforcement process.

Though there is a noticeably large difference between the City's fees for service of 30-day and six-month notices and those of other jurisdictions, it should be noted that the City's fees are per registered party whereas other jurisdictions charge a flat fee. By charging these fees per party served, the City is more accurately reflecting the actual cost associated with these tax enforcement steps for each individual property.

RECOMMENDATION IMPLICATIONS

Financial Implications

Based on historical numbers of requests, the proposed increases in rates would result in an increased recovery of approximately \$56,000 taxation fees, \$3,000 assessment fees and \$49,000 tax enforcement charges, an overall increase of \$108,000.

Environmental Implications

None with respect to this report.

Policy and/or Strategic Implications

Fees and charges included in this report are required to be compliant with the *Local Authority Freedom of Information and Protection of Privacy Act* (LAFOIP).

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

Communication of the rate increases will be done through verbal notification at the time of the request and letters to all companies presently holding service accounts (formally deposit accounts) with the Assessment & Taxation Department.

DELEGATED AUTHORITY

The recommendations contained in this report require City Council approval.

Respectfully submitted,



Deborah Bryden, Director
Assessment & Taxation Department

Respectfully submitted,



Diana Hawryluk, Executive Director
City Planning & Development

Report prepared by:
Tanya Mills, Manager, Property Tax & Administration