

## **Municipality of Chatham-Kent**

### **Finance, Budget, Information Technology & Transformation**

#### **Financial Services**

**To:** Mayor and Members of Council

**From:** Matt Torrance, MBA, CPA, CGA  
Director, Financial Services

**Date:** August 19, 2020

**Subject:** Delegation of Authority - Property Taxation Write Offs

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#### **Recommendation**

It is recommended that:

1. The Delegation of Authority By-Law be amended to delegate authority from Council to the Treasurer, Deputy Treasurer, and Manager of Revenue (minimum of two) for the approval of property taxation write offs in accordance with the Municipal Act, 2001 for Sections 357, 358, and 359.

#### **Background**

Taxes and Assessment adjustment reports are compiled frequently by administration for Council approval. The tax adjustments referred to in this report are legislated in the following sections of the Municipal Act, 2001:

1. Section 357 – Applications that allow the Municipality and Municipal Property Assessment Corporation (MPAC) to quickly rectify assessment changes as outlined in Section 357(1) since the return of the year-end assessment roll.
2. Section 358 – Applications that allow the Municipality and MPAC to rectify prior year overcharges due to a gross or manifest error by MPAC.
3. Section 359 – Applications that allow the Municipality to increase taxes due to any undercharge caused by gross or manifest error since the return of the year-end assessment roll from MPAC.

#### **Comments**

Adjustments to property tax accounts through these sections of the Municipal Act, 2001 are not material in value and are routine in nature for administration to process.

Frequently reporting these adjustments is a cumbersome task and the benefit from the information is minimal. The adjustments are considered routine in nature and do not represent any unusual dollar amounts.

Amending the Delegation of Authority By-Law would contribute to the efficient management of municipal operations. The Municipality would maintain accountability by following the legislation as set forth in the Municipal Act, 2001.

Administration would report all adjustments on an annual basis after the final balancing of the taxation year through an information report to Council.

### **Areas of Strategic Focus and Critical Success Factors**

The recommendation in this report supports the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendation in this report supports the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

### **Consultation**

No other department was consulted.

### **Financial Implications**

There are no financial implications resulting from the recommendation.

Prepared by:

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Joseph Vandermeer, CPA, CGA  
Project Manager, Tax System Modernization

Reviewed by:

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Amy McLellan, CPA, CGA  
Manager, Revenue

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Matt Torrance, MBA, CPA, CGA  
Director, Financial Services

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Gord Quinton, MBA, CPA, CGA  
Chief Financial Officer, Treasurer

Appendix: Delegation of Authority Amendment – Property Taxation Write Offs

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**CORPORATION OF THE MUNICIPALITY OF CHATHAM-KENT**

**BY-LAW NO.**

**A By-law to amend By-Law Number 98-2016  
of the Corporation of the Municipality of Chatham-Kent  
(A By-law to Delegate Certain Routine Approvals)**

**FINALLY PASSED the DD day of MMM, YYYY**

**WHEREAS** Section 2 of the Municipal Act, 2001, S.O. 2001, c. 25, indicates that the purpose of a municipality is to be a responsible and accountable government with respect to matters within its jurisdiction and each municipality is given powers and duties under the Municipal Act, 2001, and many other Acts for the purpose of providing good government with respect to those matters.

**AND WHEREAS** Section 23.1 of the Municipal Act, 2001, S.O. 2001, c. 25, authorizes a municipality to delegate its powers and duties;

**AND WHEREAS** it is deemed expedient to delegate authority from Council to the officers and employees of the municipality for the purpose of providing responsible, accountable, good and efficient government;

**NOW THEREFORE**, the Council of The Corporation of the Municipality of Chatham-Kent enacts as follows:

That Schedule "A" be amended to include:

	<b>Description and Limitations</b>	<b>Delegation</b>
D-13	S. 357 Municipal Act  Cancel, reduce, refund or restore all or part of taxes levied on land in the year in which the application is made, including holding the required hearing under the Municipal Act	Treasurer, Deputy Treasurer, Manager of Revenue (minimum two of these)
D-14	S. 358 Municipal Act  Cancel, reduce or refund all or part of the taxes levied on land caused by a gross or manifest error, including holding the required hearing under the Municipal Act	Treasurer, Deputy Treasurer, Manager of Revenue (minimum two of these)

D-15	S. 359 Municipal Act  Increase the taxes levied on land to the extent of any undercharge caused by a gross or manifest error, including holding the required hearing under the Municipal Act	Treasurer, Deputy Treasurer, Manager of Revenue (minimum two of these)
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This By-law shall come into full force and effect upon being finally passed.

READ A FIRST, SECOND, AND THIRD TIME THIS    day of    , 2020.

SIGNED BY:

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MAYOR – Darrin Canniff

SIGNED BY:

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CLERK – Judy Smith