

Bylaw 20-2018, 2018 Tax Rates**Report Purpose**

To give three readings to a bylaw that will authorize the 2018 tax rate structures in order to levy the property taxes that are sufficient to cover budget and requisition requirements.

Recommendations

1. THAT Bylaw 20-2018, a bylaw to authorize the 2018 tax rates for Strathcona County, be given first reading.
2. THAT Bylaw 20-2018 be given second reading.
3. THAT Bylaw 20-2018 be considered for third reading.
4. THAT Bylaw 20-2018 be given third reading.

Council History

December 4, 2017 – Council approved the 2018 consolidated operating budgets for Municipal, Utility, Library and Pioneer Housing Foundation operations, which require municipal regular and supplementary taxes of \$211,872,298, and library regular taxes of \$9,461,866.

Strategic Plan Priority Areas

Economy: The 2018 tax rates being recommended by Bylaw 20-2018 are outlined in Schedule "A" attached to the bylaw (Enclosure 1). The recommended 2018 municipal tax rates reflect the impact of the new property assessment values completed for the 2018 tax year and a 2.18% general tax dollar decrease approved in the 2018 Municipal Operations Operating Budget.

Governance: Property taxes support governance programs and initiatives that benefit County residents, business and industry.

Social: Property taxes support various social programs and initiatives that benefit County residents, business and industry.

Culture: Property taxes support cultural programs and initiatives that benefit County residents, business and industry.

Environment: Property taxes support environmental programs and initiatives that benefit County residents, business and industry.

Other Impacts

Policy: n/a

Legislative/Legal: The Municipal Government Act requires that a Tax Rate Bylaw be passed annually by Council for the establishment of property tax rates for Strathcona County. The Tax Rate Bylaw is required to authorize tax rates that are sufficient to generate property tax revenues required to support municipal and library programs and services pursuant to approved budgets, provincial and separate school board education requisitions, and other requisitions.

Interdepartmental: Assessment and Tax, Corporate Planning, Corporate Finance

Summary

On March 16 Heartland Housing Foundation (HHF) confirmed a requisition requirement of \$4,206,910 to provide for a portion of their 2018 operating requirements. Pursuant to the March 22, 2018 provincial budget, Alberta Municipal Affairs submitted the 2018 Alberta School Foundation Fund requisition package in the amount of \$65,751,195 and the 2018 Designated Industrial Properties requisition of \$477,846 (Enclosure 2).

As illustrated by Enclosure 3, residential municipal property taxes will represent 60% of the total residential property taxes levied by Strathcona County. Education taxes, which are dictated by the province, comprise 36% of total residential property taxes levied. Library and HHF requisitions comprise the remaining 4% of the residential property taxes levied.

Enclosure 3 summarizes the impact that the recommended 2018 tax rates will have on a sample single family residential property with an approximate assessment of \$435,000. Municipal taxes amount to \$1,812 for this sample residential property (assumes average increase in assessment due to market value changes) and is based on a 2.18% tax dollar decrease for 2018. Total projected property taxes for this sample property are expected to decrease approximately \$34 (-1.13%).

Communication Plan

Media Release

Newspaper Advertisement

Other: Information Brochure

Enclosure

- 1 Bylaw 20-2018 – 2018 Tax Rate
- 2 Schedule "A" - Tax Rate Bylaw 20-2018
- 3 Presentation – Tax Rate Bylaw 20-2018