

Strathcona County Tax Rate Bylaw 11-2019

May 7, 2019

Property tax refresher

Property tax components

Annually Council is required to authorize tax rates sufficient to generate tax revenues to support:

- Municipal services – based on approved municipal operating budget
- Library services – based on approved library operating budget
- Heartland Housing Foundation – based on requisition received
- Education services – based on an estimated requisition

Annual property assessment and tax definitions

- **Property Assessment**

- Market value and regulated rates (per July 1, 2018 valuation date)

- **Budget/Requisitions**

- Property tax revenue as approved by council required to pay for programs and services

- **Tax Rate**

- Tax rate equals tax revenue requirements ÷ total taxable assessment
- Tax rates are a calculated number, dependent on budget/requisition requirements and the total taxable assessment

- **Per Property Share of Tax**

- Each property (individual assessment x tax rate)

What are property taxes?

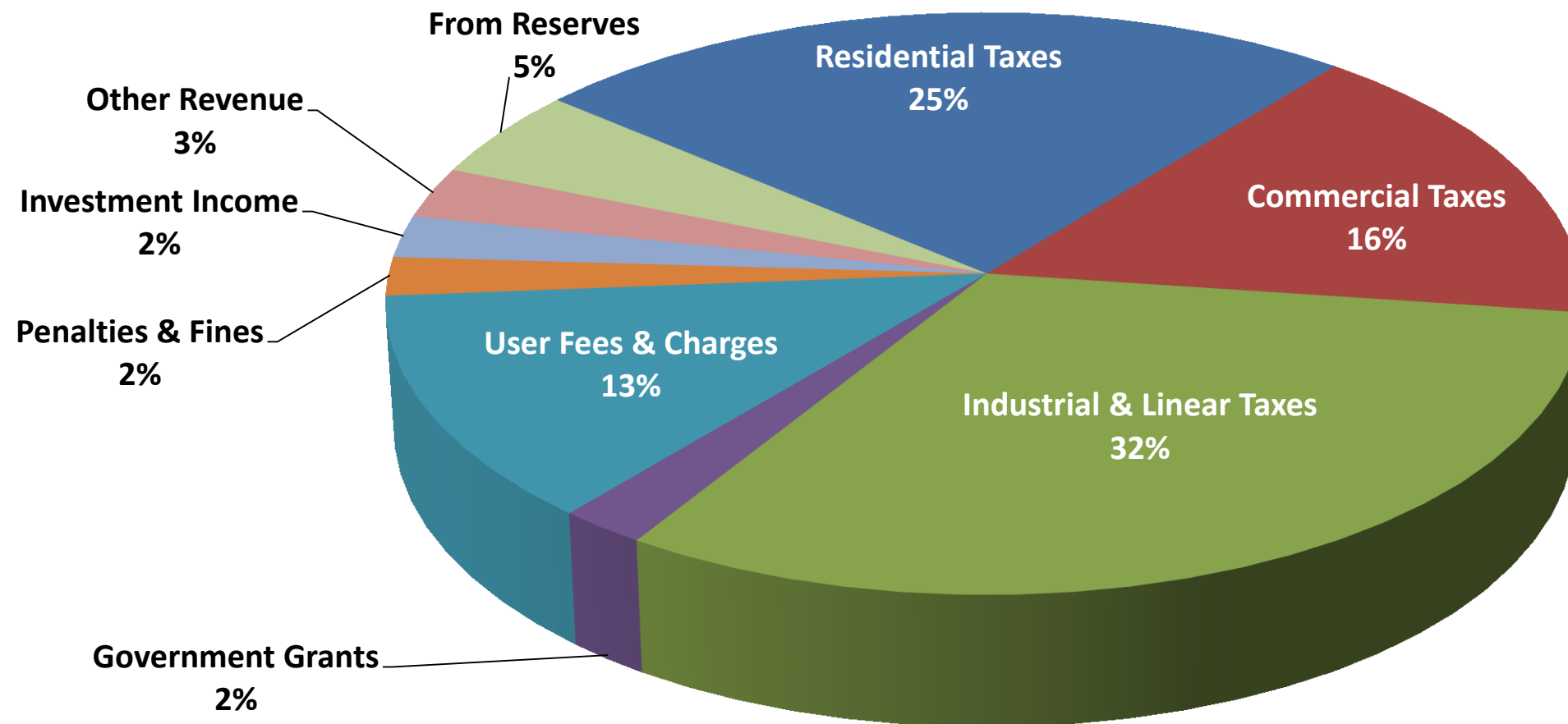
Property taxes are not a fee for service, but a way of distributing the cost for local government services and programs fairly throughout a municipality.

Alberta Government, Municipal Affairs
Guide to Property Assessment and Taxation in Alberta

Municipal overview

Municipal operations revenue overview

Municipal operations only
(residential taxes 25%)



2019 tax changes

Effective Tax Change 2018 to 2019	
Municipal services	0.83%
Library services	0.50%

2019 tax requisition changes

- Requisitions are taxes collected by the County on behalf of the Heartland Housing Foundation and the Government of Alberta.

Requisition Increase 2018 to 2019

Heartland Housing Foundation	14.76%
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Estimated Education Increase 2018 to 2019

Est. Education services – residential	4.63%
Est. Education services – non-residential	7.86%
Est. Education services total	5.73%

2019 tax rate bylaw

STRATHCONA COUNTY - 2019 TAX RATES

BYLAW # 11-2019 SCHEDULE "A"

	Assessment (000's)	Gross Expenditure* / Requisition	Other Revenue/ Prior Year Overlevy (Underlevy)	Supp. Tax	Tax Funded Expense Excluding Supp.	Residential / Farmland (mills)	Non- Residential (mills)	Machinery & Equipment (mills)	Linear (mills)
Municipal Operating**	33,895,904	\$299,219,828	\$81,231,267	\$500,000	217,488,561	4.2267	8.7721	8.7721	8.7721
Library Operating	33,895,904	10,793,039	1,075,670	0	9,717,369	0.1521	0.4302	0.4302	0.4302
Heartland Housing Foundation Requisition	33,890,359	4,827,827	40,783	0	4,787,044	0.1413	0.1413	0.1413	0.1413
Education Requisitions	33,821,633	69,518,967	(30,040)	0	69,549,007	2.5943	3.9109	0.0000	3.9109
Subtotal		384,359,661	82,317,681	500,000	301,541,980	7.1144	13.2545	9.3436	13.2545
Designated Industrial Properties Requisition	12,358,243	971,358	0	0	971,358	0.0786	0.0786	0.0786	0.0786
Total For Current Year		\$385,331,019	\$82,317,681	\$500,000	\$302,513,338	7.1930	13.3331	9.4222	13.3331

* excludes amortization expense

**excludes the Utilities Department

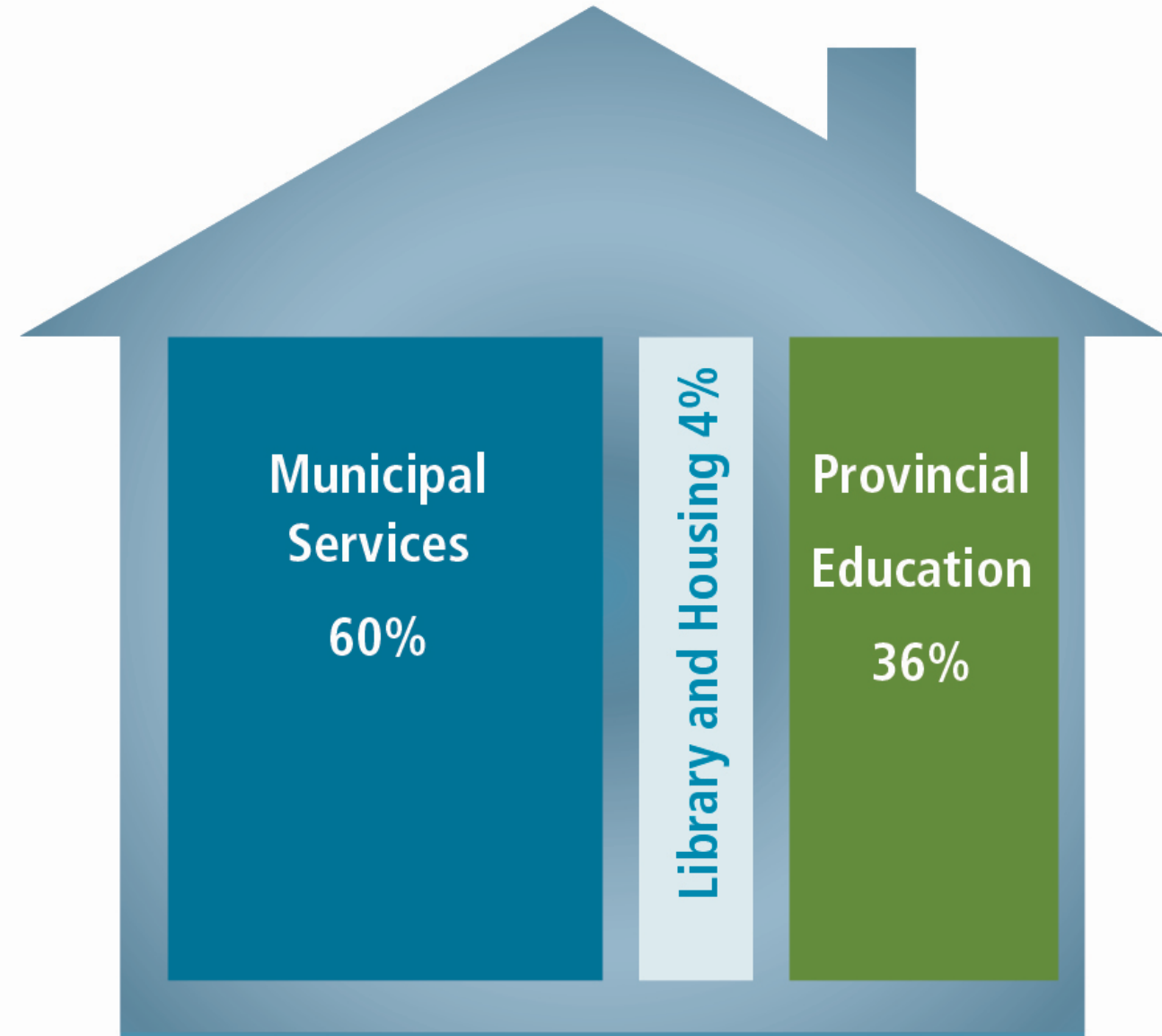
Value for our residents

2019 residential property tax distribution

60% pays for municipal services

4% supports the Strathcona County Library and Heartland Housing Foundation

36% is collected on behalf of the Government of Alberta for education



Projected 2019 property tax dollar impact

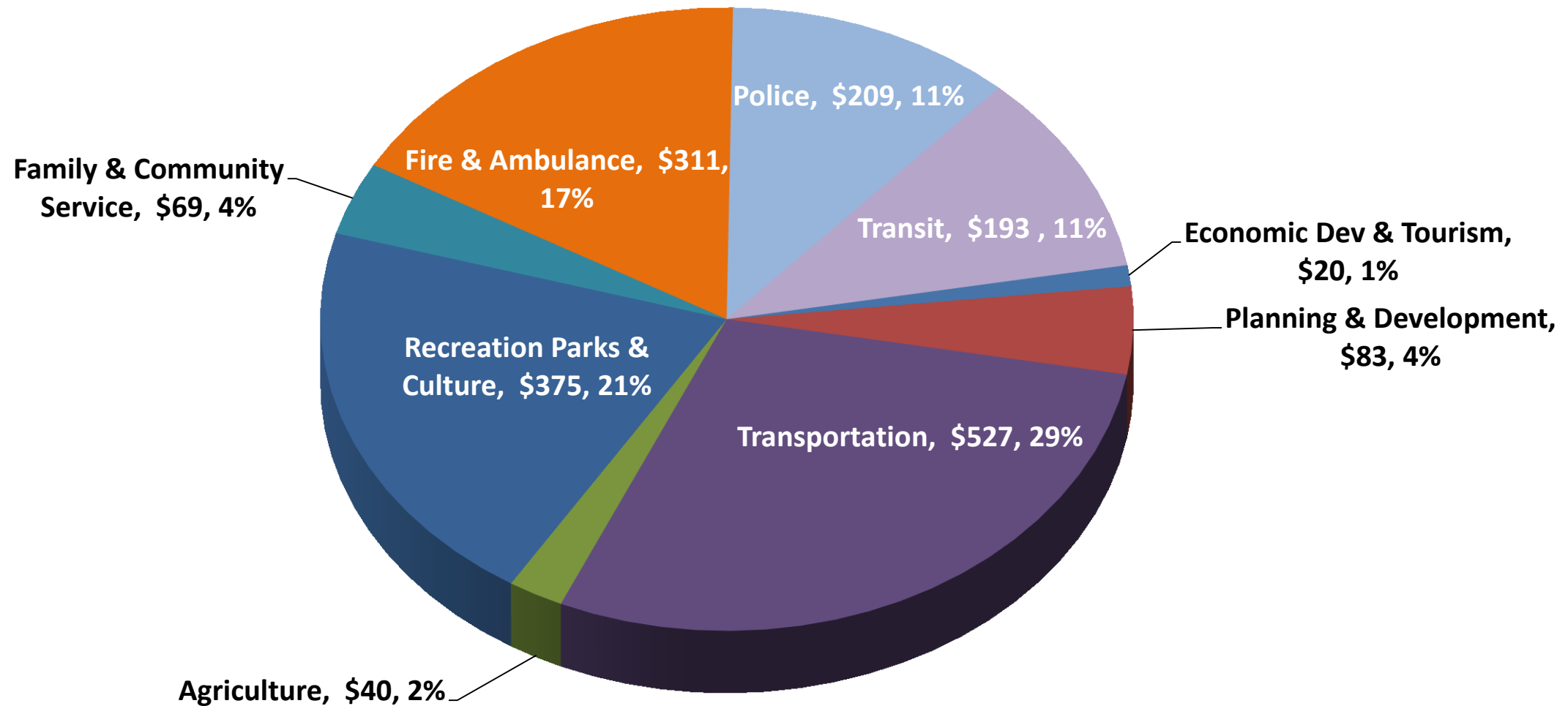
Sample single family residential property

New 2019 assessment = \$432,000 (2018=\$435,000)

	2019	2018	Change
Municipal Purposes:	\$ 1,826.71	\$ 1,811.67	\$ 15.04
*percent increase in municipal taxes			0.83%
*percent of total property taxes	59.41%	59.97%	
Library Purposes:	\$ 65.70	\$ 65.37	\$ 0.33
*percent increase in library taxes			0.50%
*percent of total property taxes	2.14%	2.16%	
Heartland Housing Foundation:	\$ 61.07	\$ 54.20	\$ 6.87
*percent increase in HHF taxes			12.67%
*percent of total property taxes	1.99%	1.79%	
Municipal, Library and HHF Property Taxes	\$ 1,953.47	\$ 1,931.24	\$ 22.23
Education Purposes (Estimated)	\$ 1,121.21	\$ 1,089.89	\$ 31.32
*percent increase in education taxes			2.87%
*percent of total property taxes	36.47%	36.08%	
Total Projected Property Taxes	\$ 3,074.68	\$ 3,021.13	\$ 53.56
Total Percent Increase in Taxes			1.77%

Putting your municipal tax dollars to work

Annual tax dollars per sample single family household total \$1,827/year
(sample household assessed value \$432,000)



Administration and governance have been allocated throughout

Many municipal services

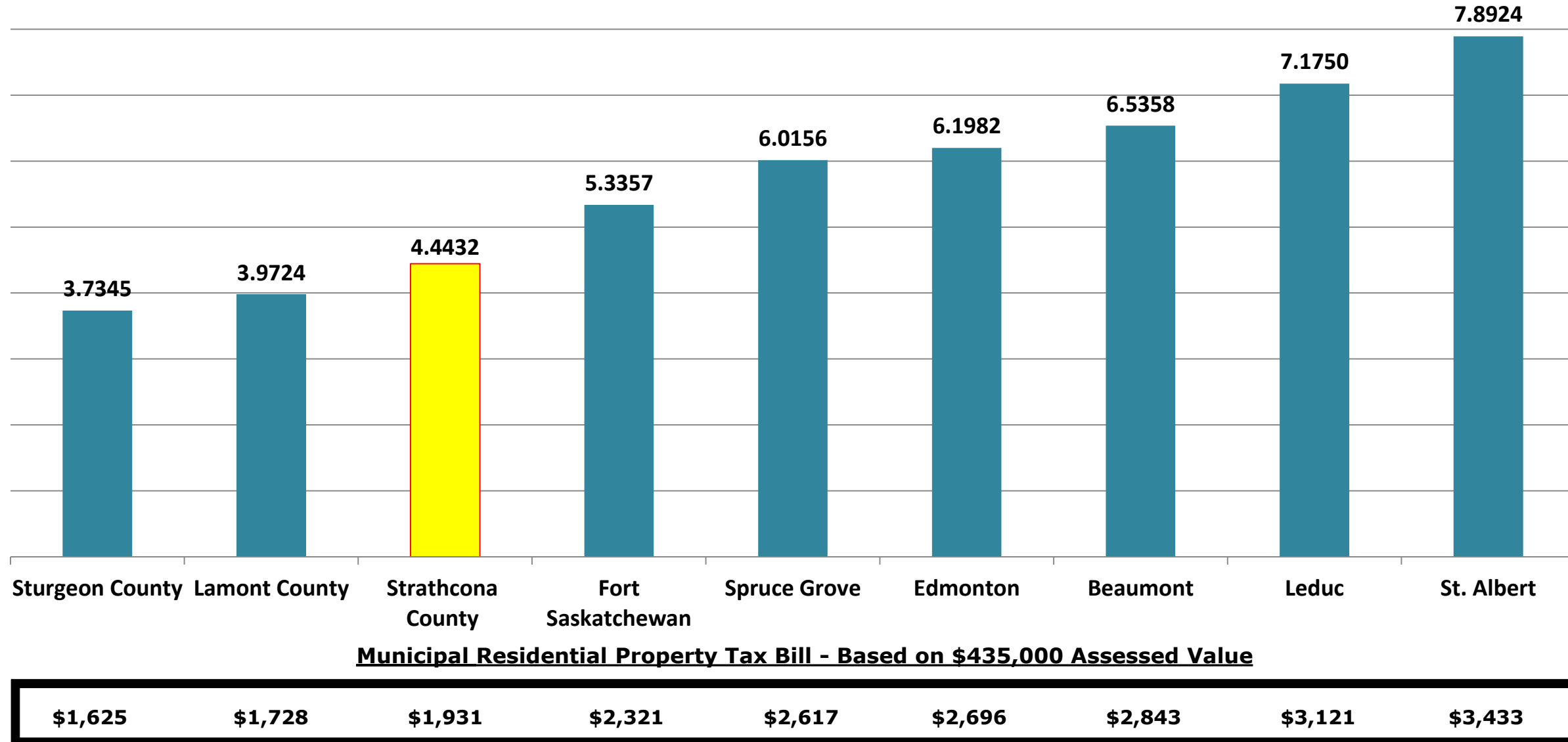
A sample single family residential property will pay approximately \$152 a month for municipal services.

Roads	\$ 44 / month
Fire, Ambulance, Police	\$ 43 / month
Recreation, Parks, Culture	\$ 31 / month
Transit	\$ 16 / month
Planning Services	\$ 7 / month
Community Social Programs	\$ 6 / month
Agricultural Services	\$ 3 / month
Economic Development, Tourism	\$ 2 / month
Strathcona County Municipal Services	\$ 152 / month

Administration and governance have been allocated throughout

2018 tax rate comparison

Residential (excludes education taxes)



Projected 2019 property tax dollar impact

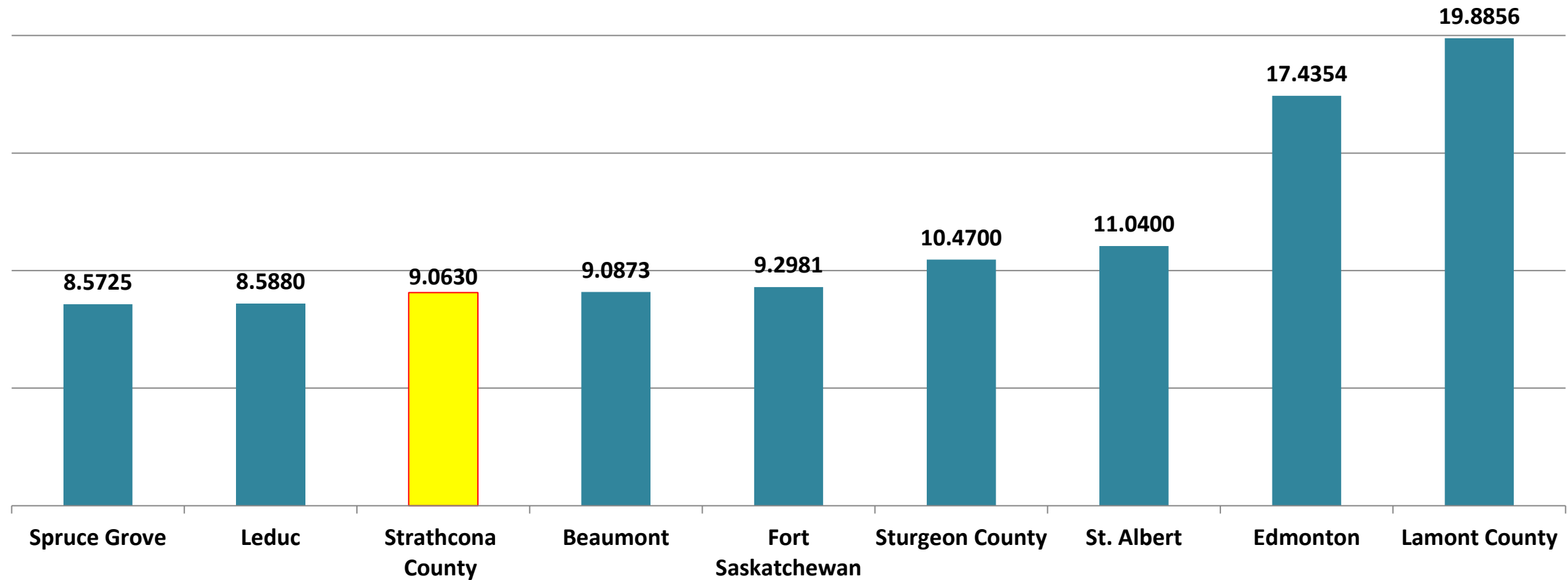
Sample commercial property

New 2019 assessment = \$1,940,000 (2018=\$ 1,981,000)

	2019	2018	Change
Municipal Purposes:	\$ 17,015.59	\$ 16,875.52	\$ 140.07
*percent increase in municipal taxes			0.83%
*percent of total property taxes	66.18%	66.68%	
Library Purposes:	\$ 834.31	\$ 830.12	\$ 4.19
*percent increase in library taxes			0.50%
*percent of total property taxes	3.25%	3.28%	
Heartland Housing Foundation:	\$ 274.09	\$ 251.91	\$ 22.18
*percent increase in HHF taxes			8.80%
*percent of total property taxes	1.07%	1.00%	
Municipal, Library and HHF Property Taxes	\$ 18,123.98	\$ 17,957.55	\$ 166.43
Education Purposes	\$ 7,586.13	\$ 7,352.24	\$ 233.89
*percent increase in education taxes			3.18%
*percent of total property taxes	29.51%	29.05%	
Total Projected Property Taxes	\$ 25,710.11	\$ 25,309.79	\$ 400.32
Total Percent Increase in Taxes			1.58%

2018 tax rate comparison

Non-residential (excludes education taxes)



Municipal Non-Residential Property Tax Bill - Based on \$1,981,000 Assessed Value

\$16,982	\$17,013	\$17,958	\$18,002	\$18,420	\$20,741	\$21,870	\$34,540	\$39,393
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Questions