

Strathcona County Tax Rate Bylaw 18-2020

May 5, 2020

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 requisition received

Annual property assessment and tax definitions

- **Property Assessment**

- Market value and regulated rates (per July 1, 2019 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?

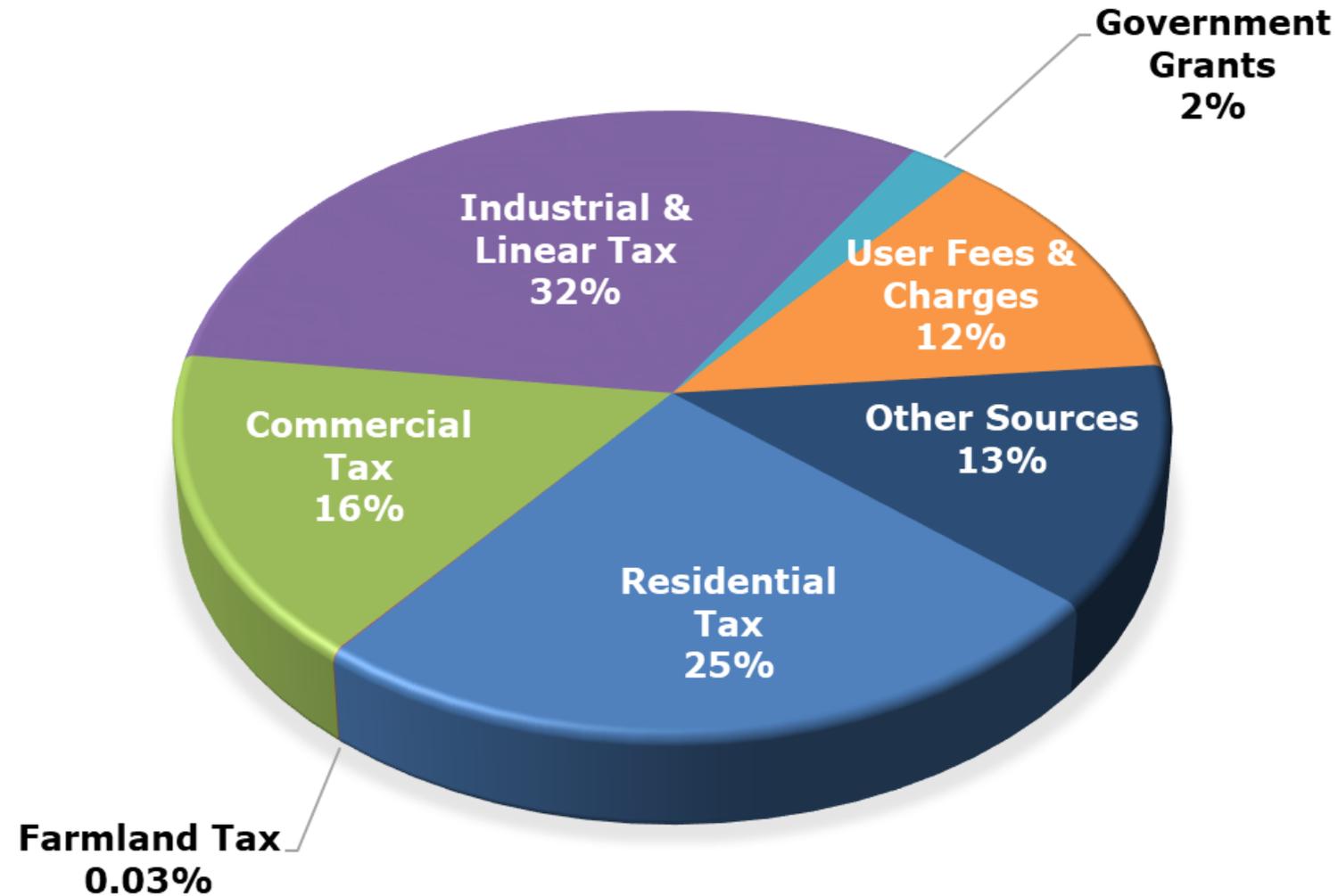
Property taxes are not a fee for service, but a way of distributing the cost for local government services and programs fairly throughout a municipality.

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

Municipal overview

Municipal operations revenue overview

Municipal operations only (residential taxes 25%)



*Totals may not add due to rounding

2020 tax changes

Effective Tax Change 2019 to 2020

Municipal services	0%
Library services	0%

2020 tax requisition changes

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

Requisition Decrease 2019 to 2020

Heartland Housing Foundation	-14.01%
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Education Requisition Increase 2019 to 2020

Education services – residential	0.69%
Education services – non-residential	0.84%
Net education services tax	0.74%

2020 education tax requisition changes

	2019 (Estimated Requisition per 2019 Tax Rate Bylaw)	2019 Actual Requisition (Oct 2019)	2020 Preliminary Requisition (Feb 2020)	2020 Actual Requisition (March 2020)
Residential / Farmland	\$ 45,423,955	\$ 44,551,019	\$ 46,440,565	\$ 44,857,364
Non-Residential	24,095,012	22,896,237	23,889,058	23,088,652
Total	69,518,967	67,447,256	70,329,624	67,946,016

*Totals may not add due to rounding

2020 tax rate bylaw

STRATHCONA COUNTY - 2020 TAX RATES

BYLAW # 18-2020 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 Operations**	33,439,265	\$304,053,407	\$83,862,916	\$500,000	\$219,690,491	4.3644	8.9252	8.9252	8.9252
Library Operations	33,439,265	10,982,074	1,178,930	0	9,803,144	0.1571	0.4378	0.4378	0.4378
Heartland Housing Foundation Requisition	33,436,177	4,151,295	7,412	0	4,143,883	0.1240	0.1240	0.1240	0.1240
Education Requisitions	33,375,910	67,946,017	1,926,486	0	66,019,530	2.5634	3.5263	0.0000	3.5263
Subtotal		387,132,793	86,975,745	500,000	299,657,048	7.2089	13.0133	9.4870	13.0133
Designated Industrial Properties Requisition	12,161,639	924,285	79	0	924,205	0.0760	0.0760	0.0760	0.0760
Total For Current Year		\$388,057,077	\$86,975,824	\$500,000	\$300,581,253	7.2849	13.0893	9.5630	13.0893

* excludes amortization expense

**excludes the Utilities Department

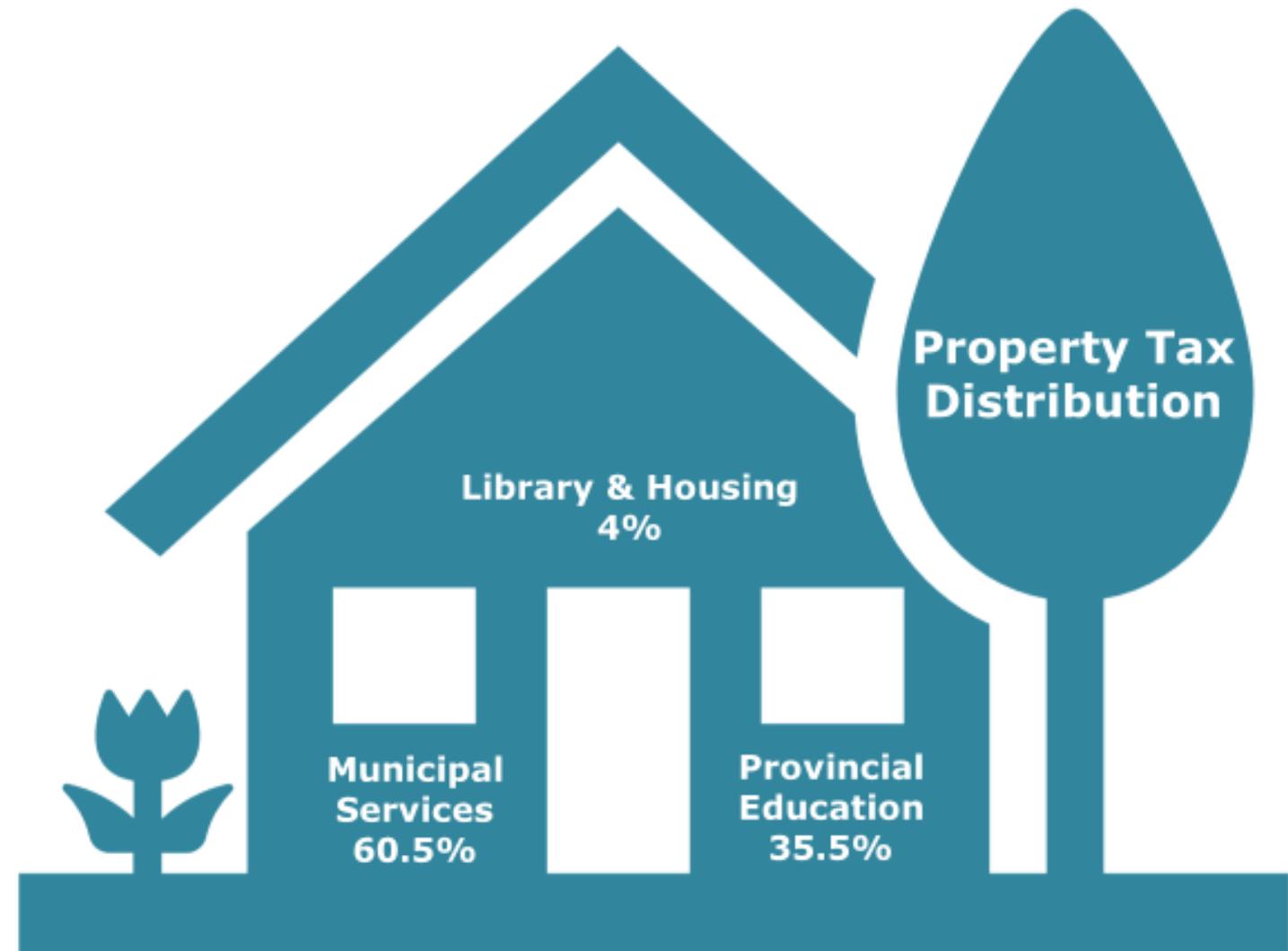
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2020 residential property tax distribution

60.5% pays for municipal services

4% supports the Strathcona County Library and Heartland Housing Foundation

35.5% is collected on behalf of the Government of Alberta for education



Projected 2020 property tax dollar impact

Sample single family residential property

New 2020 assessment = \$419,000 (2019=\$432,000)

	2020	2019	Change
Municipal Purposes:	\$ 1,826.71	\$ 1,826.71	\$ -
*percent change in municipal taxes			0.00%
*percent of total property taxes	60.54%	59.41%	
Library Purposes:	\$ 65.70	\$ 65.70	\$ -
*percent change in library taxes			0.00%
*percent of total property taxes	2.18%	2.14%	
Heartland Housing Foundation:	\$ 51.90	\$ 61.07	\$ (9.17)
*percent change in HHF taxes			-15.01%
*percent of total property taxes	1.72%	1.99%	
Municipal, Library and HHF Property Taxes	\$ 1,944.31	\$ 1,953.47	\$ (9.17)
Education Purposes	\$ 1,072.90	\$ 1,121.21	\$ (48.31)
*percent change in education taxes			-4.31%
*percent of total property taxes	35.56%	36.47%	
Total Projected Property Taxes	\$ 3,017.21	\$ 3,074.68	\$ (57.48)
Total Percent Change in Taxes			-1.87%

*Totals may not add due to rounding

Projected 2020 property tax dollar impact

Sample commercial property

New 2020 assessment = \$1,906,000 (2019=\$ 1,940,000)

	2020	2019	Change
Municipal Purposes:	\$ 17,015.59	\$ 17,015.59	\$ -
*percent change in municipal taxes			0.00%
*percent of total property taxes	68.59%	66.18%	
Library Purposes:	\$ 834.31	\$ 834.31	\$ -
*percent change in library taxes			0.00%
*percent of total property taxes	3.36%	3.25%	
Heartland Housing Foundation:	\$ 236.40	\$ 274.09	\$ (37.68)
*percent change in HHF taxes			-13.75%
*percent of total property taxes	0.95%	1.07%	
Municipal, Library and HHF Property Taxes	\$ 18,086.30	\$ 18,123.98	\$ (37.68)
Education Purposes	\$ 6,722.77	\$ 7,586.13	\$ (863.36)
*percent change in education taxes			-11.38%
*percent of total property taxes	27.10%	29.51%	
Total Projected Property Taxes	\$ 24,809.07	\$ 25,710.11	\$ (901.04)
Total Percent Change in Taxes			-3.50%

*Totals may not add due to rounding

Questions