

Bylaw 17-2016, 2016 Property Tax Rate**Report Purpose**

To give three readings to a bylaw that will authorize the 2016 tax rate structure in order to levy the property taxes that are sufficient to cover budget and requisition requirements.

Recommendations

1. THAT Bylaw 17-2016, a bylaw to authorize the 2016 tax rates for Strathcona County, be given first reading.
2. THAT Bylaw 17-2016 be given second reading.
3. THAT Bylaw 17-2016 be considered for third reading.
4. THAT Bylaw 17-2016 be given third reading.

Council History

December 8, 2015 – Council approved the 2016 consolidated operating budgets for Municipal, Utility, Library and Pioneer Housing Foundation Operations, which require municipal regular and supplementary taxes of \$210,785,648 and library regular taxes of \$9,172,097.

Strategic Plan Priority Areas

Economy: The 2016 tax rates being recommended by Bylaw 17-2016 are outlined in Schedule "A" attached to the bylaw (Enclosure 1). The recommended 2016 municipal tax rates reflect the impact of the new property assessment values completed for the 2016 tax year and a 0.69% general tax dollar increase approved in the 2016 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 Taxation, Financial Services

Summary

On March 16, 2016 Heartland Housing Foundation (HHF) confirmed a requisition requirement of \$2,840,484 to provide for a portion of their 2016 operating requirements. Pursuant to the April 14, 2016 provincial budget, Alberta Municipal Affairs submitted the 2016 Alberta School Foundation Fund requisition package in the amount of \$61,660,542 (Enclosure 2).

As illustrated by Enclosure 3, 2016 residential municipal property taxes will represent 62% of the total residential property taxes levied by Strathcona County. Education taxes, which are dictated by the province, comprise 35% of total residential property taxes levied. Library and HHF requisitions comprise the remaining 3% of the residential property taxes levied.

Enclosure 3 summarizes the impact that the recommended 2016 tax rates will have on a sample single family residential property with an approximate assessment of \$446,000. Municipal taxes amount to \$1,902 for this sample residential property (assumes average increase in assessment due to market value changes) and is based on a 0.69% tax dollar increase for 2016. Total projected property taxes for this sample property are expected to increase approximately \$45 (1.48%).

Communication Plan

Media Release

Newspaper Advertisement

Other: Information Brochure

Enclosure

- 1 Bylaw 17-2016 – 2016 Tax Rate (Document #: 8633867)
- 2 Schedule "A" - Tax Rate Bylaw 17-2016 (Document #: 8630037)
- 3 Presentation – Tax Rate Bylaw 17-2016 (Document #: 8634787)