

## Request for Decision

<b>Title</b>	<b>Bylaw 1406/18 - 2018 Taxation Rates (First Reading)</b>
<b>Proposed Motion</b>	<p>1. That Council give first reading of Bylaw 1406/18, 2018 Taxation Rates.</p> <p>2. That Council direct Administration to transfer \$36,098 to the General Operating Reserve to fund future operational needs.</p>
<b>Administrative Recommendation</b>	That Council approve the bylaw in a manner that is consistent with the budget and fiscal planning direction through Council's approval of the 2018 Budget, Fiscal Framework and Reserve Policy.
<b>Previous Council Direction</b>	<p>January 23, 2018 - Motion 023/18 That Council give third reading to Bylaw 1399/18, Supplementary Assessment Bylaw 2018.</p> <p>December 20, 2017 - Motion 506/17 That Council approve the 2018 Operating and Capital Budget as amended.</p> <p>August 27, 2013 – Motion 360/13 That County Council approves the document titled "Summary of Fiscal Principles, Practices, and Policies" as the working document used to guide Administration in the planning and execution of County affairs.</p>
<b>Report</b>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>• The 2018 Taxation Rates Bylaw proposes a 0.49% increase in property taxes, the same percentage increase presented in the budget.</li> <li>• Sturgeon County's actual assessment is greater overall than the estimated assessment when the 2018 budget was set.</li> <li>• In accordance with the Summary of Fiscal Principles, Practices and Policies, Sturgeon County takes a conservative approach to estimating assessment for budget purposes.</li> <li>• The additional assessment will allow Sturgeon County to fund the General Operating Reserve for future purposes.</li> <li>• A median valued home of \$445,765 will see a \$4 increase to property taxes in 2018 for municipal, education and seniors.</li> <li>•</li> </ul>

- Municipal taxes are the most important single source of revenue for Sturgeon County. Approximately 78% of operating revenues in 2018 will be derived from municipal property taxes
- Assessments used for budget purposes are estimated approximately six (6) months prior to the availability of final figures. The estimate is required to gain an understanding of the net impact the budget will have on property taxation in the County.
- As was the case in the 2017 Taxation Rates Bylaw, a minimum tax of \$25 is included in the 2018 taxation year to address the cost of assessing and maintaining tax records on properties that pay less than \$25 in municipal taxes.
- The Bylaw and associated recommendations are currently written in a manner that is consistent with the Summary of Fiscal Principles, Practices and Policies approved by Motion 360/13 on August 27, 2013

#### Requisitions

- The Alberta School Foundation Fund requisition increased by 10%; the impact to the median County home will be approximately a \$4 decrease versus an increase of \$78 previously estimated due to assessment increase.
- The Sturgeon Seniors Foundation increased by 8%. The median home owner will see a decrease of \$1 versus the budget estimated \$1 increase.

#### External Communication

- Tax notices will be mailed Wednesday, May 23, 2018 (Financial Services).
- An advertisement will be placed in local papers and on the County's website notifying rate payers that notices have been mailed (Communications).

#### Relevant Policy/Legislation/Practices:

- Section 353 of the *Municipal Government Act*, RSA 2000 c.M-26, requires for Council to pass an annual property tax bylaw
- Summary of Fiscal Principles, Practices and Policies
- 2018 Supplementary Assessment Bylaw 1399/18
- Tax Penalty Policy #ADM-TAX-2

#### **Implication of Administrative Recommendation**

#### Organizational:




Due date for tax payments will be June 29, 2018. Printing of tax notices will commence early May.

	<p>Combined tax/assessment notices must be ready for mailing May 23, 2018. Assessment complaints must be submitted to the County by July 30, 2018.</p> <p><u>Financial:</u></p> <ul style="list-style-type: none"> <li>• The County will raise \$ 66,297,069 in total property tax revenue including requisitions (Note: 2017 – \$61 million).</li> <li>• General municipal property taxes amount to \$49,346,827 (Note: 2017 – \$45 million).</li> <li>• A 0.49% increase in taxes as proposed in the Bylaw will generate new net tax revenue of \$36,098 as a result of increased assessments.</li> <li>• The 2018 Sturgeon Foundation requisition of \$642,749 which increased by 8% has been received (Note 2017 – \$594,486).</li> <li>• The 2018 Alberta School Foundation requisition of \$16,270,246 increased by 10% (Note: 2017 – \$14,745,306).</li> </ul>
<b>Alternatives Considered</b>	<p>1. That Council increase taxes by 0.42% to raise the 2018 budgeted tax revenue.</p>
<b>Implications of Alternatives</b>	<p><u>Strategic Alignment:</u></p> <ul style="list-style-type: none"> <li>• Unknown – alternative dependent.</li> </ul> <p><u>Organizational:</u></p> <p>Due date for tax payments will be June 29, 2018. Printing of tax notices will commence early May.</p> <p>Combined tax/assessment notices must be ready for mailing May 23, 2018. Assessment complaints must be submitted by July 30, 2018.</p> <p><u>Financial:</u></p> <ul style="list-style-type: none"> <li>• Alternative 1 will increase tax rates by 0.42%. This will generate tax revenue of \$49,312,103, which will only be sufficient to meet budget.</li> </ul>
<b>Follow up Action</b>	<p>1. Bring Bylaw 1406/18 to April 24, 2018 meeting for second and third reading.</p>

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<b>Attachment(s)</b>	1. Bylaw 1406/18 - 2018 Taxation Rates 2. Summary of Fiscal Principles, Practices and Policies 3. Bylaw 1399/18 - Supplementary Assessment Bylaw 4. Tax Penalties Policy
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<b>Report Reviewed by:</b>	 Ed Kaemingh, Manager Financial Services   Rick Wojtkiw, General Manager Corporate Support   Bill Minnes, County Commissioner-CAO
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## Strategic Alignment Checklist

**Vision:** Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.

**Mission:** Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.

Focus Areas	Not consistent	N/A	Consistent
<b>Strong Local Governance and Regional Leadership</b>			
<i>We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Consistent with neighborhood role (see MDP), master plans, policies</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers fiscal stability and sustainability</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Has a positive impact on regional and sub-regional cooperation</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Respect the Natural Environment</b>			
<i>We acknowledge the importance of a healthy environment and will minimize and monitor our impact on ecosystems (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Compliance with Provincial and Federal regulations and/or legislation</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Ensure effective environmental risk management</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Community Identity &amp; Spirit</b>			
<i>We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan, (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Promotes and/or enhances residents' identification with Sturgeon County</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Enhances service provision through community partnerships</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Supports Sturgeon County's cultural history</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Planned Growth and Prosperity</b>			
<i>We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers cumulative costs and long-term funding implications</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Targets growth around current or planned infrastructure</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Maintain and Enhance Strong Communities</b>			
<i>We are committed to a safe, secure community, where our residents are respected and provided with access to opportunities. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Positive impact on residents' quality of life</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Supports and promotes volunteer efforts</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Provides programs and services that are accessible to all residents</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Operational Excellence</b>			
<i>We have the organizational capability to deliver consistent and defined levels of service to all stakeholders in a professional, efficient, and cost effective manner</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Staff have the knowledge, skills and capability to perform their jobs</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Streamlines operational processes and policies</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Promotes engagement and professional interaction with stakeholders</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>