

## Request for Decision

<b>Title</b>	<b>Tax Penalty Cancellation Request – Tax Roll 3418001</b>
<b>Proposed Motion</b>	That Council refuse the request to cancel 2019, 2020, 2021, and 2022 tax penalties in the amount of \$2,648.30 for tax roll 3418001.
<b>Administrative Recommendation</b>	Administration recommends that Council refuse the request to cancel the 2019, 2022, 2021, and 2022 property tax penalties for tax roll 3418001.
<b>Previous Council / Committee Direction</b>	<p><u>November 29, 2022 Regular Council Meeting</u> Motion 467/22: That Council refer the request to cancel property tax penalties for tax roll 3418001 to Administration to present information and a recommendation at a future Council meeting.</p> <p><u>September 27, 2022 Regular Council Meeting</u> Motion 354/22: That Council amend the Public Tax Recovery Property Auction date from November 2, 2022 to November 30, 2022.</p> <p><u>June 28, 2022 Regular Council Meeting</u> Motion 253/22: That Council approve the conditions of sale and the reserve bid identified in the 2022 Public Sale of Land Report at market value as prepared by Sturgeon County's Assessment Department for the Public Tax Recovery Property Auction to be held on November 2, 2022.</p>
<b>Report</b>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>• In accordance with Bylaws 1422/18 and 1535/21, 2019, 2020, 2021, and 2022 Sturgeon County municipal taxes were due on the last business day of June each year.</li> <li>• Bylaw 1498/20, the 2020 Tax Penalty Bylaw Amendment for COVID-19, extended the date for the application of property tax penalties in 2020 to August 31, 2020.</li> <li>• Bylaw 1550/21, the 2021 Tax Penalty Bylaw Amendment for COVID-19, extended the date of property tax penalties in 2021 to August 31, 2021 for residents impacted by COVID-19 who provided written notice in advance of the property tax penalty deadline.</li> <li>• Tax penalties are in place to ensure the timely payment of property taxes. Late penalty charges for the 2019 to 2022 taxation years are as follows:</li> </ul>

- 2019 Taxation Year
  - Current tax penalties of 6% on June 29 and August 1, 2019
- 2020 Taxation Year
  - Tax arrears penalties 12% on March 1, 2020
  - Current tax penalties 6% on September 1 and October 1, 2020
- 2021 Taxation Year
  - Tax arrears penalties 12% on March 1, 2021
  - Current tax penalties 6% on July 1 and August 1, 2021
- 2022 Taxation Year
  - Tax arrears penalties 12% on March 1, 2022
  - Current tax penalties 6% on July 1 and August 1, 2022

- Below is a summary of penalties for tax roll 3418001.

Year	12%	6%	6%	Total
2019	-	117.67	117.67	235.34
2020	263.58	118.49	118.49	500.56
2021	560.64	114.32	114.32	789.28
2022	889.98	116.57	116.57	1,123.12
				<u>\$ 2,648.30</u>

- In 2021, no deferral registration was submitted for tax roll 3418001 to extend the payment deadline for the 2021 tax levy in accordance with Bylaw 1550/21, the 2021 Tax Penalty Bylaw Amendment for COVID-19.
- In June 2022, tax roll 3418001 was included in the 2022 Tax Recovery Reserve Bid (Public Tax Sale).
- In September 2022, Administration received a presentation request form from the landowner, Mr. Terry Spiess, for Council to consider waiving penalties for tax roll 3418001.
- In September 2022, Mr. Spiess and the County established a three-year repayment agreement for tax roll 3418001 in accordance with section 418(4) of the *Municipal Government Act* (MGA). The terms require the balance of \$10,482.43 to be paid in monthly installments of \$291.18 (tax levies and penalties) which began in October 2022 and will conclude in September 2025.
- Tax roll 3418001 was removed from the 2022 Tax Recovery Reserve Bid (Public Tax Sale) listing upon establishment of the three-year repayment agreement.
- As per the Tax Installment Payment Plan Bylaw 1536/21, ratepayers may enter into a Penalty Forgiveness Payment Agreement that is available to ratepayers who meet eligibility requirements for current year penalty waiver. This tax roll is not eligible as the tax roll has outstanding taxes in the current year and in arrears (historical).
- At the November 29, 2022, Regular Council Meeting, Mr. Spiess presented his request for tax penalty cancellation to Council.

	<ul style="list-style-type: none"> <li>In response to questions posed by members of Council, Administration provided Mr. Spiess with contact information for the County's Family &amp; Community Support Services department.</li> </ul> <p><u>External Communication</u></p> <ul style="list-style-type: none"> <li>In 2019, 2020, 2021, and 2022 tax information regarding notices, payments, and relevant bylaws were communicated to the public by the following means: <ul style="list-style-type: none"> <li>Taxation notices which included inserts detailing further information regarding payment options and relevant bylaws</li> <li>County Centre front desk notifications</li> <li>Promoted on the Sturgeon County website</li> <li>Advertising on social media platforms</li> <li>Facebook homepage advertisements</li> <li>Advertising in the Morinville <i>Free Press</i> and Redwater <i>Review</i></li> <li>Advertising on road signs</li> </ul> </li> </ul>
<b>Implication of Administrative Recommendation</b>	<p><u>Strategic Alignment</u></p> <p><b>Operational Excellence</b> - The imposition of a penalty on taxes owed is consistent with legislation, policies and procedures and supports respectful and informed debate, clear and supportive governance processes, and long-term financial planning and sustainability.</p> <p><u>Organizational</u></p> <p>Administration will issue a letter informing the ratepayer of Council's decision.</p> <p><u>Financial</u></p> <p>None</p>
<b>Alternatives Considered</b>	That Council cancel property tax penalties for tax roll 3418001 in the amount of \$2,648.30 funded through the 2022 financial year end.
<b>Implications of Alternatives</b>	<p><u>Strategic Alignment</u></p> <p>A decision to cancel tax arrears would be inconsistent with effective short- and long-term financial planning. Ensuring equitable governance is administered among taxpayers is important. While this financial relief request is not material, other future requests may prove material and could impact Sturgeon County's ability to be financially stable and fiscally responsible.</p> <p><u>Organizational</u></p> <p>Administration would remove the penalty from the tax rolls and issue a letter informing the taxpayer of Council's decision.</p> <p><u>Financial</u></p> <p>This adjustment alone does not materially impact budget but must be deemed equitable by Council.</p>

<b>Follow up Action</b>	1. Send a letter to the ratepayer informing him of Council's decision (Corporate Finance & Treasury, December 2022).
<b>Attachment(s)</b>	1. Attachment 1: Presentation Request Form
<b>Report Reviewed by:</b>	Sabrina Duquette, Manager, Corporate Finance & Treasury Andrew Hayes, General Manager, Financial Services & Chief Financial Officer Reegan McCullough, County Commissioner – CAO

## Strategic Alignment Checklist

**Vision:** *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

**Guiding Principles:** Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
<b>Planned Growth</b>			
<ul style="list-style-type: none"> <li>Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Modern broadband and digital capabilities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Low cost, minimal red-tape regulations</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Thriving Communities</b>			
<ul style="list-style-type: none"> <li>Beautiful, surprising places with high standards; integrated natural spaces &amp; trail systems; healthy and resilient</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Engaging cultural, historical, and civic amenities; strong community identity and pride</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Environmental Stewardship</b>			
<ul style="list-style-type: none"> <li>Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Sustainable development; partnerships with industry and others to drive emission reductions</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Collaborative Governance</b>			
<ul style="list-style-type: none"> <li>Predictable and stable external relationships; volunteer partnerships</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Meaningful connections with Indigenous communities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Respectful and informed debate; clear and supportive governance processes</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Operational Excellence</b>			
<ul style="list-style-type: none"> <li>Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Future focused thinking to proactively respond to emerging opportunities and challenges</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Alternative revenue generation and service delivery models integrated strategic and business planning</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>