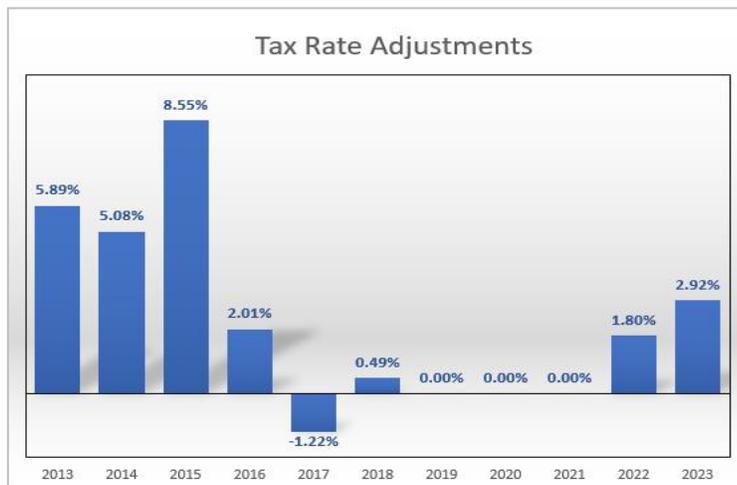


Request for Decision

Title	Bylaw 1625/23 – 2023 Taxation Rates Bylaw – Three Readings
Proposed Motion	<ol style="list-style-type: none"> 1. That Council give first reading of Bylaw 1625/23. 2. That Council give second reading of Bylaw 1625/23. 3. That Council consider third reading of Bylaw 1625/23. 4. That Council give third reading of Bylaw 1625/23.
Administrative Recommendation	Administration recommends that Council give three readings of Bylaw 1625/23 to authorize the taxation rates to be levied against assessable property within Sturgeon County in 2023.
Previous Council / Committee Direction	<p><u>March 28, 2023 Regular Council Meeting</u> Motion 094/23: That Council direct Administration to prepare the 2023 Taxation Rates Bylaw to reflect a tax rate increase of 2.9%.</p> <p>Motion 095/23: That Council release the 2023 tax stabilization transfer from reserves in the amount of \$1,168,144.</p> <p><u>December 13, 2022 Regular Council Meeting</u> Motion 481/22: That Council approve the 2023 Operating Budget as amended by motions passed on November 23, and 24, 2022, which represent a 3.9% tax rate increase.</p>
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> • Municipal taxes are the most important single source of revenue for the County. Approximately 78% of revenues in 2023 will be derived from municipal property tax. • In December 2022, Council approved the 2023 Operating and Capital Budgets that at the time required a 3.9% tax rate increase for 2023. • The 2023 budgeted municipal property tax revenue, inclusive of all assessment classes, was \$88.4 million based on a 3.9% tax rate increase. This was required at the time to balance the budget along with an additional reserve allocation from the tax stabilization reserve in the amount of \$1.2 million. • At the March 28, 2023 Regular Council Meeting, Administration presented the 2023 Assessment Update and Taxation Rates to Council, which identified significant favourable assessment changes since the 2023 budget was passed. These changes resulted in Council approving

the release of \$1.2 million dollars from tax stabilization reserve and a reduction to the tax rate increase from 3.9% to 2.9%. For a median residential home in the County valued at \$496,000, this equates to \$53.37 per year.

- Bylaw 1625/23, the proposed 2023 Taxation Rates Bylaw, details municipal, education, seniors, and designated industrial tax rates for the 2023 taxation year.
- The minimum tax is \$25 to impose a 2023 tax notice levy on tax accounts.
- The County offers a Tax Installment Payment Plan (TIPP) that allows property owners to pay property taxes in monthly installments rather than a single payment making it easier to budget and ensure taxes are paid on time. Other methods of payment include:
 - In person,
 - Drop off box (no cash),
 - By mail (no cash),
 - Automated or in-person banking, and
 - Third-party payment processor (e.g. credit card).
- The historical tax rate changes are represented below over a 10-year period.



Requisitions

- The education requisition amounts are established by the Province of Alberta and are binding. For a median residential County home, the increase is approximately \$56.00. The 2023 requisition amounts have yet to be approved by an Order in Council; therefore, these requisition amounts could be adjusted.
- The seniors requisition amount is determined and paid to Homeland Housing. For a median residential County home, the decrease is approximately \$1.00.

- The Designated Industrial Property Requisitions are established by the Province of Alberta.

External Communication

- Taxation notices will be mailed which include inserts detailing further information regarding payment options and relevant bylaws.
- County Centre front desk notifications
- Announcements on the Sturgeon County website
- Advertising on social media platforms
- Facebook homepage advertisements
- Advertising in the Morinville *Free Press* and Redwater *Review*

Relevant Policy/Legislation/Practices

- Section 353 of the *Municipal Government Act* requires that Council pass a property tax bylaw annually
- Bylaw 1535/21 - Property Tax Penalty Bylaw
- Bylaw 1536/21 - Tax Installment Payment Plan Bylaw

Implication of Administrative Recommendation

Strategic Alignment

- **Operational Excellence** - Municipalities rely heavily on property tax revenue to financially support the operating and capital programs administered through cash flow management practices. The tax rate bylaw is the County's annual guiding document that allows the distribution of taxation notices and subsequent collections to sustain municipal programs for the public.

Organizational

- Combined tax and assessment notices must be ready for mailing May 18, 2023, with payments due the last business day in June (June 30, 2023) to avoid penalties being imposed. A 6% penalty will be applied on outstanding current year balances on July 1 and August 1 in accordance with the Property Tax Penalty Bylaw. Assessment complaints must be submitted by July 25, 2023.

Financial

- General municipal property tax revenue amounts to \$95.1 million, which is \$6.7 million higher than originally budgeted. This has resulted in \$1.2 million in committed funding support being released from the tax stabilization reserve with \$5.5 million remaining in property tax revenue for 2023. It is important to note that the majority of the revenue increase (62% of overall assessment increase) is assessed and declared by the Province, which can make the revenue volatile (future year decreases) and subject to assessment complaints.

Alternatives Considered	Council could propose amendments to the proposed Bylaw.
Implications of Alternatives	<p><u>Strategic Alignment</u></p> <ul style="list-style-type: none"> • Operational Excellence - Municipalities rely heavily on property tax revenue to financially support the operating and capital programs administered through cash flow management practices. The tax rate bylaw is the County’s annual guiding document that allows the distribution of taxation notices and subsequent collections to sustain municipal programs for the public. <p><u>Organizational</u></p> <ul style="list-style-type: none"> • Combined tax and assessment notices must be ready for mailing May 18, 2023, with payments due the last business day in June (June 30, 2023) to avoid penalties being imposed. A 6% penalty will be applied on outstanding current year balances on July 1 and August 1 in accordance with the Property Tax Penalty Bylaw. Assessment complaints must be submitted by July 25, 2023. <p><u>Financial</u></p> <ul style="list-style-type: none"> • Dependent on proposed amendments.
Follow up Action	<ol style="list-style-type: none"> 1. Obtain Mayor and CAO signatures on 1625/23 (Legislative Services, April 2023). 2. Post Bylaw 1625/23 on the Sturgeon County website (Corporate Communications, April 2023). 3. Send the combined Assessment and Tax Notices to property owners (Corporate Treasury & Finance, May 2023). 4. Advertise that the combined assessment and tax notices have been mailed (Corporate Communications, May 2023).
Attachment(s)	<ol style="list-style-type: none"> 1. Attachment 1: Bylaw 1625/23 – 2023 Taxation Rates Bylaw 2. Attachment 2: Bylaw 1535/21 – Property Tax Penalty Bylaw 3. Attachment 3: Bylaw 1536/21 – Tax Installment Payment Plan Bylaw
Report Reviewed by:	<p>Sabrina Duquette, Manager, Corporate Finance & Treasury</p> <p>Andrew Hayes, General Manager, Financial Services & Chief Financial Officer</p> <p>Reegan McCullough, County Commissioner – CAO</p>

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
Planned Growth			
<ul style="list-style-type: none"> Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Modern broadband and digital capabilities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Low cost, minimal red-tape regulations 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Thriving Communities			
<ul style="list-style-type: none"> Beautiful, surprising places with high standards; integrated natural spaces & trail systems; healthy and resilient 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Engaging cultural, historical, and civic amenities; strong community identity and pride 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental Stewardship			
<ul style="list-style-type: none"> Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Sustainable development; partnerships with industry and others to drive emission reductions 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative Governance			
<ul style="list-style-type: none"> Predictable and stable external relationships; volunteer partnerships 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Meaningful connections with Indigenous communities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Respectful and informed debate; clear and supportive governance processes 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Operational Excellence			
<ul style="list-style-type: none"> Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> 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 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Future focused thinking to proactively respond to emerging opportunities and challenges 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Alternative revenue generation and service delivery models integrated strategic and business planning 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>