



Request for Decision

Title	Request for Property Tax Refund Due to Fire Loss – Tax Roll 3716005
Proposed Motion	That Council refund 2022 property taxes in the amount of \$2,074.84 for Tax Roll 3716005.
Administrative Recommendation	Administration recommends that Council approve the request to refund a portion of 2022 property taxes for Tax Roll 3716005 in accordance with the Municipal Property Tax Cancellation, Reduction, Refund and Deferral Policy.
Previous Council Direction	<p><u>April 22, 2022 Regular Council Meeting</u> Motion 171/22: That Council give third reading of Bylaw 1582/22.</p> <p><u>November 30, 2021 Regular Council Meeting</u> Motion 507/21: That Council approve the Municipal Property Tax Cancellation, Reduction, Refund and Deferral Policy as presented.</p>
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> On June 30, 2022, a fire incident at Tax Roll 3716005 occurred, destroying the residents’ primary dwelling. Upon being advised by Protective Services of the fire, on July 11, 2022, Assessment Services investigated the property and verified the damage. The residential pre-fire assessment was \$1,047,640, and the post fire assessment was \$376,060. On December 17, 2022, the property owner submitted a request that the 2022 property taxes be adjusted based on the reduced value of the property since the fire (Attachment 1). As the County has a practice of considering similar situations on compassionate grounds, and in accordance with Sturgeon County’s Municipal Property Tax Cancellation, Reduction, Refund and Deferral Policy (Attachment 2), Administration recommends an equitable approach through a refund of 2022 property taxes in the amount of \$2,074.84, which represents a pro-rated portion of the 2022 tax levy based on the revised property value. <p><u>External Communication</u></p> <ul style="list-style-type: none"> Administration will advise the property owner(s) of Council’s decision.

Relevant Policy/Legislation/Practices

- Section 332 of the *Municipal Government Act* (MGA) states that taxes imposed are deemed to have been imposed on January 1.
- Section 289(2)(a) of the MGA states that each assessment must reflect the characteristics and physical condition of the property on December 31 of the year prior to the year in which the tax is imposed, which in this case would be December 31, 2021.
- Section 347(1) of the MGA states that Council may, if it considers it equitable to do so, cancel or refund all or part of a tax.
- Section 203(2)(d) of the MGA states that Council may not delegate its power with respect to taxes under section 347.
- Sections 6.6 and 6.7 of Sturgeon County’s Municipal Property Tax Cancellation, Reduction, Refund and Deferral Policy states that such requests shall be brought directly to Council for consideration without requiring the taxpayer to present to Council, and that when presenting its recommendation, Administration shall consider the pro-rated municipal tax based on the reduced assessment value of the property and improvements due to the fire.

Implication of Administrative Recommendation

Strategic Alignment

Collaborative Governance & Operational Excellence: Council approved the Municipal Property Tax Cancellation, Reduction, Refund and Deferral Policy, which provides administrative direction on recommended operational practices and policies.

Organizational:

- Administration would process the \$2,074.84 property tax refund and notify the property owner of Council’s decision.

Financial:

- A decision to refund part of the taxes would result in a \$2,074.84 decrease to taxation revenue.

Tax Roll 3716005	Pre Fire Taxation	Post Fire Taxation
Municipal Taxes	\$ 3,770.18	\$ 1,342.14
Educational Requisition	2,430.42	821.66
Seniors Requisition	85.81	29.01
2022 Tax Levy	\$ 6,286.41	\$ 2,192.81
<i>*Pre Fire tax levy is from 2022 Taxation Notice and Property Assessment</i>		
<i>*Pre Fire is based on 2022 Year of General Assessment (full year)</i>		
<i>*Post Fire is based on inspection at July 11, 2022 (full year)</i>		
<i>*Post Fire assessment includes residential assessment of what remains</i>		
Tax Roll 3716005	Pre Fire Jan 1- Jun 29	Post Fire Jun 30 - Dec 31
2022 Tax Levy	\$ 6,286.41	\$ 2,192.81
Days Annually	365	365
2022 Daily Rate	\$ 17.22	\$ 6.01
Days Prorated	180	185
Prorated Periods	\$ 3,100.15	\$ 1,111.42
2022 Prorated Levy (Pre + Post Fire)		\$ 4,211.56
Other Financial Information:		
Original 2022 Taxes	\$ 6,286.40	
Adjusted 2022 Taxes	4,211.56	
Prorated Difference	\$ 2,074.84	

Alternatives Considered	Council could refuse the request to cancel a portion of 2022 property taxes for Tax Roll 3716005.
Implications of Alternatives	<p><u>Strategic Alignment</u> None.</p> <p><u>Organizational</u> The property owner would be notified by letter of Council's decision.</p> <p><u>Financial</u> None.</p>
Follow up Action	1. Process the refund and send a letter to the taxpayer informing them of Council's decision (Corporate Finance & Treasury, April 2023).
Attachment(s)	1. Attachment 1: Presentation Request Form 2. Attachment 2: Municipal Property Tax Cancellation, Reduction, Refund and Deferral Policy
Report Reviewed by:	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
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 checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Alternative revenue generation and service delivery models integrated strategic and business planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>