

BYLAW 05-21 - PROPERTY AND SUPPLEMENTAL TAX RATES

Purpose

The purpose of Bylaw 05-21 is to authorize the rates of taxation to be levied against assessed taxable properties, including properties with supplementary assessments, for the 2021 taxation year.

Motion Proposed by Administration

That a recommendation be forwarded to Council for adoption of Property and Supplemental Tax Rates Bylaw 05-21 as presented.

Report, Analysis and Financial Implications

Council is required each year to levy on the assessed value for all property tax rates sufficient to raise revenue to be used towards the payment of:

- a) the expenditures and transfers set out in the budget of the municipality; and
- b) the requisitions of external organizations (these include amounts for Okotoks Library, Westwinds Communities, Provincial education and designated industrial property).

The following chart shows the trend in Okotoks' assessed values, along with the impact on the residential to non-residential assessment split. The assessment value, determined as of July 1, 2020, results in a \$35 Million decrease for residential and a \$16 Million decrease for non-residential.

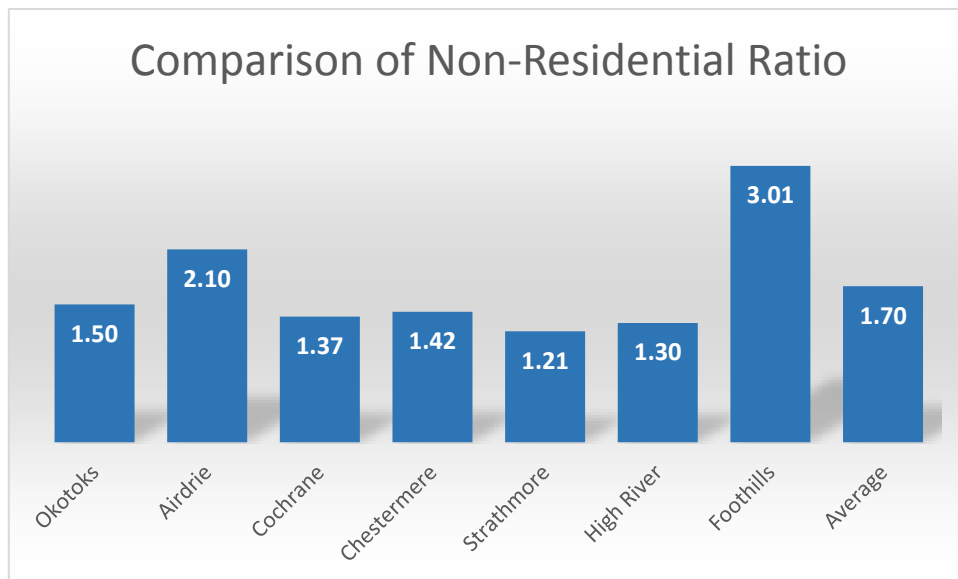
Municipal Tax Assessment Base – Residential / Non-Residential Split (M's)				
(\$ Millions)	2020 Declared		2021 Declared	
	\$	% Split	\$	% Split
Residential	4,449	85.6	4,414	85.8
Non-Residential	747	14.4	731	14.2
Total Assessment	5,196		5,145	
% Change	0.0%		-1.0%	

Determination of 2021 property tax rates for municipal purposes were based on Council's approval of the 2021 Budget guidelines requiring municipal tax revenues of \$29.903 Million. Okotoks has two classes of taxation (residential and non-residential) in which non-residential is calculated as a percentage of residential.

Total requisitions for 2021 are \$15.975 Million (Town properties requisitioned \$15.812 Million; Annexed properties requisitioned \$0.163 Million) and the allocation is determined as follows:

- Recovery of requisitioned amounts are based on the total assessment base for the Okotoks Public Library and Westwinds Communities.
- Recovery of education requisitions are based on prescribed dollar amounts by class for the Province.
- Recovery of requisitioned designated industrial property is based on the linear property assessment base for the Province.

This table represents ratios of residential / non-residential across the region. The table below highlights those 2020 ratios:



Administration has included in this bylaw the tax rates associated with supplemental property assessment to streamline the tax rate bylaw process.

Section 369 of the *Municipal Government Act* requires that if in any year a Council passes a supplementary assessment bylaw it must, in the same year, pass a bylaw to impose a supplementary tax in respect of that property.

Bylaw 01-21, passed January 11, 2021, authorizes the preparation of supplementary assessments for improvements completed, occupied or moved into the municipality during any part of 2021.

Strategic Plan Goals

<input type="checkbox"/>	Manage Community Growth	<input checked="" type="checkbox"/>	Provide Strong Governance
<input type="checkbox"/>	Provide Quality Community Infrastructure	<input type="checkbox"/>	Healthy and Safe Community
<input type="checkbox"/>	Enhance Organizational Excellence	<input type="checkbox"/>	Foster Economic Vitality
		<input type="checkbox"/>	Promote Environmental Excellence

Governing Policies/Bylaws/Legislation or Agreements

n/a

Public Hearing / Participation Strategy

n/a

Alternatives for Consideration

n/a

CAO Comments

I support the recommendations of Administration.

Attachment(s)

1. Draft Bylaw 05-21 Property and Supplemental Tax Rates
2. List of Annexation Properties as per Orders in Council
3. List of Designated Industrial Properties

Prepared by:
Ralph Ettenauer
Chief Financial Officer
April 29, 2021