



City of Moose Jaw

COMMUNICATION# CC-2022-0097

TITLE: Bylaw No. 5668, Property Tax Bylaw 2022(1)
TO: City Council
FROM: Department of Financial Services
DATE: 10 May 2022
PUBLIC: PUBLIC DOCUMENT

RECOMMENDATION

THAT City Council give 1st, 2nd and 3rd reading to Bylaw No. 5668, Property Tax Bylaw 2022(1).

TOPIC AND PURPOSE

The purpose of the proposed Bylaw is to:

- (1) establish the municipal rates of taxation for the year 2022;
- (2) define the classes and subclasses to be used for taxation purposes;
- (3) enumerate the mill rate factors to be applied to each subclass;
- (4) exclude assessments that generate less than \$100 in municipal tax revenue from the Supplemental Roll for 2022;
- (5) set a uniform base tax for the purpose of contributing to the Waterworks Capital Fund to partially fund the annual Cast Iron Watermains Replacement project;
- (6) indicate the taxation rates for the School Divisions as determined by the Lieutenant Governor in Council.

BACKGROUND

The Cities Act provides that, as soon as practical in each year, Council must prepare a budget containing the estimated revenues and expenditures for the current year. Upon completion of the budget process, Council is then required to determine the sums required to be derived from a levy on the municipal taxable assessment to meet the estimated expenditures, having regard to the estimated revenues, and to set a mill rate.

The Cities Act provides municipal councils with the authority to utilize several tax tools. Included in this authority is the ability to establish subclasses of property for the purpose of application of such tools.

On December 15, 2021, City Council finalized the City's 2022 Operating Budget. The Financial Services Department advised at that time that a 5.45% increase in the municipal mill rate for 2022 would be required to meet the estimated City expenditures.

The Education Property Tax Act, 2017 requires the City to levy taxes on behalf of the Public and Separate School Divisions. For the education tax portion only, the Province requires an Order in Council. We have received notification from the Minister of Government Relations of the revised Education Mill Rates for the Public School Division for 2022. These mill rates are as indicated in the Bylaw.

The Separate School Division in Moose Jaw, Holy Trinity RCSSD No. 22, has confirmed in writing that they will be adopting the Provincial Education mill rates for 2022.

City Council, at the Council meeting on May 9, 2022, passed the following resolutions respecting the 2022 Tax Policy. These motions are reflected in the proposed Bylaw:

"THAT the mill rate factor for Other Agricultural Land and Improvements be established on the basis that these properties will pay the same rate of taxation as if they were in the RM of Moose Jaw and that City Administration be directed to calculate this mill rate factor and include it in the Mill Rate Bylaw once the relevant information is available

THAT the mill rate factor for Non-Arable Agricultural Land and Improvements be established on the basis that these properties will pay the same rate of taxation as if they were in the RM of Moose Jaw and that City Administration be directed to calculate this mill rate factor and include it in the Mill Rate Bylaw once the relevant information is available.

THAT the 2022 Municipal Tax increase be shared between Residential and Commercial Property Classes based upon the percentage of taxable assessment in each class and that this split be accomplished by adjusting the appropriate mill rate factors for each class of property.

THAT the mill rate factor for the Commercial and Industrial Property Class be adjusted to reflect the 2021 Commercial appeal losses."

Based on Council's direction, the following are the 2022 property classes and subclasses and the corresponding mill rate factors:

Property Classification	Subclass	Mill Rate Factor
Residential		0.7810
Multi-Unit Residential		0.7810
Multi-Unit Residential	Condominium Properties	0.7810
Commercial and Industrial		1.4112
Commercial and Industrial	Golf Courses	0.3833
Elevators		1.4074
Railway Rights of Way and Pipeline		1.4074
Railway Rights of Way and Pipeline	Resource Properties	1.4074
Other Agricultural Land and Improvements		0.2318
Non-Arable (Range) Land and Improvements		0.2318

The Commercial and Industrial mill rate factor has been adjusted for the assessment losses at the Board of Revision in 2021. At this time there is no adjustment to the Commercial and Industrial Mill Rate Factor for an appeal allowance since there is still funding in the amount of \$143,951 available for 2022 Board of Revision decisions that could negatively impact the 2022 Property Tax Revenues.

It should also be noted that the motion to reduce the tax gap between the Residential and Commercial and Industrial property classes is included in the Commercial and Industrial mill rate factor above.

Administration wishes to continue with the exclusion of low value assessments in the Property Tax Bylaw for 2022. *The Cities Act* allows for the exclusion of assessment from the Supplemental Roll via a bylaw or a resolution of Council. Properties that generate less than \$100 in municipal tax revenue will continue to be excluded from the 2022 Supplemental Roll.

In 2021, Council through Resolution #2021-12-15-1155, established that a \$100 base tax be applied to all property classes, except the multi-unit residential class of properties which includes condominiums. The multi-unit residential class of properties having more than four dwellings on the property, will have the \$100 levy applied to each dwelling unit within the property. The levy will be dedicated to funding the Waterworks Capital Expenditure Fund and will partially fund the Cast Iron Watermain Project. The details of the resolution are included below:

"THAT the Infrastructure Levy be set at \$100 per taxable property for 2022 and that those funds be dedicated to funding the Cast Iron Watermain Replacement Program."

ATTACHMENTS

1. Bylaw No. 5668, Property Tax Bylaw 2022(1).

REPORT APPROVAL

Written by: Brenda Hendrickson, B. Comm., City Treasurer/City Assessor
Brian Acker, B. Comm., CPA, CMA, Director of Financial Services
Reviewed by: Tracy Wittke, City Clerk
Approved by: Jim Puffalt, MBA, CMMA, RMA, City Manager
Approved by: Clive Tolley, Mayor

To be completed by the Clerk's Department only.

Presented to Regular Council or Executive Committee on _____.

No. _____ Resolution No. _____

Report Approval Details


Document Title:	2022 Property Tax Bylaw - CC-2022-0097.docx
Attachments:	- V.1-BYLAWS NO. 5668-Property Tax Bylaw 2022.docx
Final Approval Date:	May 16, 2022

This report and all of its attachments were approved and signed as outlined below:

Brian Acker



Tracy Wittke



Jim Puffalt



Clive Tolley