

2016 Property Tax Bylaw

Questions and Answers



CITY OF
FORT SASKATCHEWAN

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How does the Property Tax Bylaw relate to the annual budget?

Each year, the City reviews how much money it needs to pay for municipal programs and services that are necessary to meet the needs of Fort Saskatchewan residents.

This budget process allows City Council to identify where the money is needed most and helps determine the budget to meet those needs. As part of this process, the City considers where the money to cover municipal programs and services comes from. One of the revenue sources for any municipality in Canada is property taxes.

To ensure that all Fort Saskatchewan property owners pay their fair share of property taxes, the City follows the guidelines established by the provincial government and uses a property assessment process. The Property Tax Bylaw provides the authority for the City to collect the taxes.

Why is the Bylaw being approved now?

Approval is really a timing thing. The Bylaw cannot be passed until all the information is in. Although the City budget was approved in December the final property assessment values to determine each property's tax bill is not known until March following budget approval. Also the Province tells us in early April how much money the City has to collect for them for education taxes. As a result the Property Tax Bylaw cannot be approved until the end of April.

What makes up my property taxes?

Your property tax bill consists of three major elements:

1. Municipal Taxes – help pay services like police and fire protection, parks, roads, and recreation service
2. Education Taxes – go to the Government of Alberta to fund education
3. Seniors' Housing Taxes – go to the Heartland Housing Foundation to fund certain types of seniors' housing in Fort Saskatchewan

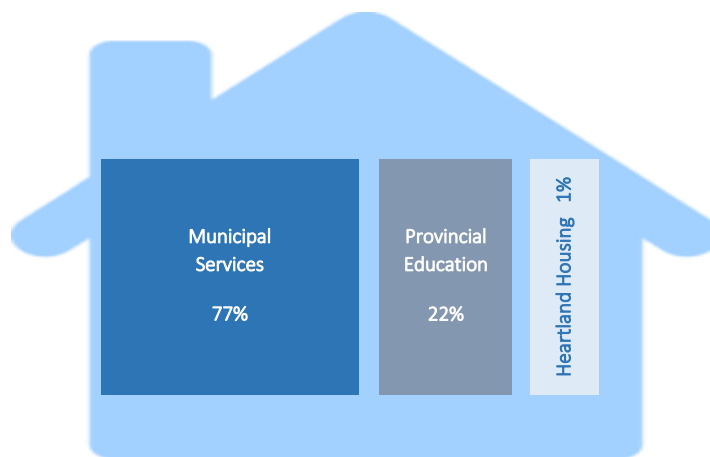
The City is required to collect the school and seniors' housing taxes on each organization's behalf.

How are taxes calculated?

Each year, City Council determines the municipal budget needed to provide services to residents and businesses. This includes fire and police service; snow removal; community and social services; road construction and maintenance; bylaw enforcement; park maintenance; recreation; and library.

The City's primary source of revenue is property taxes. However, it also receives revenues from other areas such as government grants and user fees.

The following diagram shows the portion of your taxes that go towards City services, the provincial education tax, and seniors' housing.



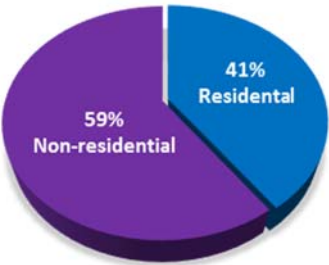
What is the Heartland Housing Foundation?

The Heartland Housing Foundation provides services to low and modest income seniors, individuals and families.

Within Fort Saskatchewan, Heartland Housing Foundation operates and manages one seniors' apartment complex, self-contained seniors' apartment complexes and administers a number of rent-geared-to-income seniors' facilities.

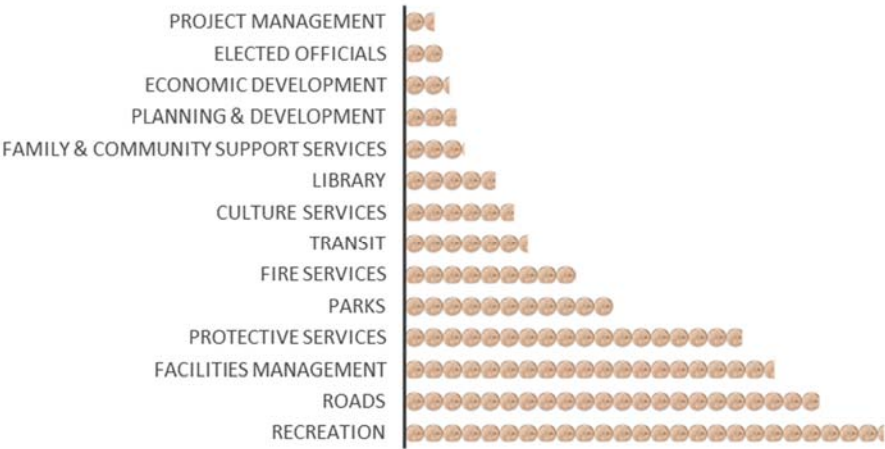
Where do my municipal taxes come from?

For the municipal portion of property taxes the City collects \$43.2 million from residential (\$17.6 million) and non-residential (\$25.6 million) properties within Fort Saskatchewan. The following chart shows the percentage each property category pays.



How are my municipal taxes spent?

Funding provided by municipal property taxes supports a variety of programs and services. The following chart shows how every municipal dollar collected is allocated.



What is an assessment?

In basic terms, your assessment is the estimated price your property may have sold for on the open market by a willing seller to a willing buyer, as of July 1 of the previous year.

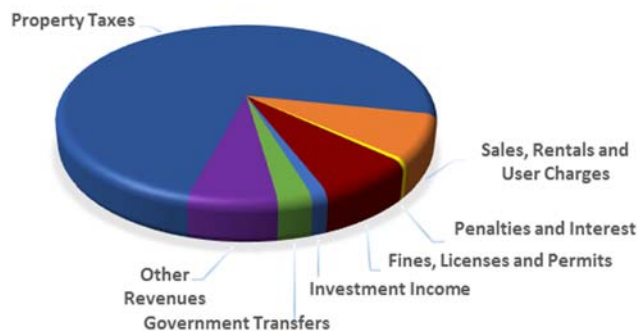
What is the relationship between my assessment and my property taxes?

The City uses the assessed value of your property to calculate the amount of provincial education and municipal property taxes you pay in proportion to the value of the real estate you own.

The change in your property assessment compared to the overall change for all property in your assessment class determines whether you will pay more, less, or the same as the average property tax increase. If your tax bill is either higher or lower than last year, it may be due in part to a change in your property's assessed market value being higher or lower than the average change in property values City wide.

What other sources of revenue does the City have besides taxes?

The City receives funding from a variety of sources, as shown in the following chart.



What change can I expect to see in my taxes?

The following two charts illustrate the estimated change in taxes payable for an average home and a non-residential property in Fort Saskatchewan between 2015 and 2016 if your assessment did not change.

Residential

	2016 Assessment \$400,000	2015 Assessment \$400,000	Dollar Change	Percent Change
Municipal Tax Levy	\$ 1,998.64	\$ 1,961.02	\$ 37.62	1.92%
Education Tax Levy	\$ 949.88	\$ 917.80	\$ 32.08	3.50%
Heartland Housing Foundation Tax Levy	\$ 21.37	\$ 19.86	\$ 1.51	7.60%
Combined Tax Impact	\$ 2,969.89	\$ 2,898.68	\$ 71.21	2.46%

Non-Residential

	2016 Assessment \$1,000,000	2015 Assessment \$1,000,000	Dollar Change	Percent Change
Municipal Tax Levy	\$ 9,867.28	\$ 9,605.66	\$ 261.62	2.72%
Education Tax Levy	\$ 3,364.70	\$ 3,470.00	\$ (105.30)	(3.03%)
Heartland Housing Foundation Tax Levy	\$ 53.43	\$ 49.64	\$ 3.79	7.63%
Combined Tax Impact	\$ 13,285.41	\$ 13,125.30	160.11	1.22%

The change in your property assessment compared to the overall change for all property in your assessment class determines whether you will pay more, less, or the same as the average property tax increase.

Also, the percentage increase approved by Council only relates to municipal taxes. Your tax notice also includes requests related to the Provincial Education tax and Heartland Housing Foundation, which may also have increased over the previous year.

When are taxes due?

Property taxes are due on or before June 30.

How can I pay my taxes?

The City of Fort Saskatchewan offers a number of convenient options for you to pay your Property taxes:

- Sign up for the **monthly Fort Electronic Payment Plan (FEPP)**. The plan divides your annual property taxes into 12 equal monthly payments which are automatically withdrawn from your chequing account on the 15th of each month. Applications are accepted until May 1 of the year that taxes are due and payable. Your tax account must be paid up to date (e.g. if joining in May, taxes for January to April of the current year must be paid plus any arrears owing), and a specimen cheque marked “VOID” must be attached to the application.
- **Telephone or internet banking** through your financial institution (your seven digit roll number is your account number).
- At most **chartered banks, credit unions** and other financial institutions (Allow 7 days to process payment).
- **Mail your cheque** (payable to City of Fort Saskatchewan) and enclose the remittance portion of the tax notice.
- **After hours payment** can be deposited in the “mail deposit” located at the main entrance to City Hall (please enclose the remittance portion of the tax notice).
- **In person** at the following City Facilities:
 - **City Hall** (10005 - 102 St) - between 8 am and 4:30 pm, Monday through Friday by cash, cheque or debit card.
 - **Dow Centennial Centre** 8700 - 84 St
 - **Harbour Pool** 10001 - 94 Ave
 - **James E Graham Building** 11121 - 88 Ave

Note: Please bring the remittance portion of your tax notice and also check with your financial institution to ensure your single transaction limit is sufficient for debit card.

***Please note, credit cards or credit card cheques are not accepted for tax payments.**

Does Alberta have a tax deferral program for seniors?

The Government of Alberta's **Seniors Property Tax Deferral Program** allows qualifying seniors to defer their property tax payment through a low-interest home equity loan with Alberta Seniors. Under this program, the Alberta government will pay your residential property taxes directly to the City on your behalf. You re-pay the loan, with interest, when you sell the home, or sooner if you wish.

To be eligible, a senior homeowner must:

- be 65 years of age or older;
- be an Alberta resident;
- own a residential property in Alberta; and
- have a minimum of 25% home equity.

For more information on this program, visit <http://www.seniors.alberta.ca/seniors/property-tax-deferral.html> or call the Alberta Supports Contact line at 1-877-644-9992 (780-644-9992 in Edmonton).

What if I have other questions about my property taxes or assessment?

Questions can be directed to the Financial Services Department by phone 780-992-6228 or email: finance@fortsask.ca.

