

City of North Battleford

Terms and References: Property Tax Billing Policies in the City of North Battleford, Saskatchewan

Competition #: FIN20250814

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Delivery of Submissions
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Deliver Proposals by email: financedirector@cityofnb.ca Via e-mail: financedirector@cityofnb.ca

Terms of Reference: Property Tax Billing Policies in the City of North Battleford

Introduction

The City of North Battleford is dedicated to ensuring fairness, transparency, affordability, and accountability in the assessment and collection of municipal taxes. Property taxation is a vital tool for funding public services and infrastructure, but it also shapes both community well-being and economic development. In recognition of this, the City is seeking to engage the expertise of an external consultant who can analyze the City's current tax policies and recommend a taxation model that is fair for residents, while also promoting commercial growth and attracting new businesses to the area. Regular reviews and third-party input ensure that North Battleford's tax system remains effective, equitable, and competitive within the region.

This Terms of Reference document outlines the guiding principles, current structure, and rationale behind the City's tax policy. It also establishes the framework for collaboration with a consultant to further refine and enhance North Battleford's approach to property taxation.

Objectives

- To provide a clear, equitable, and community-driven framework for property tax assessment and collection.
- To evaluate the current residential and commercial property tax structures, ensuring transparency for all stakeholders.
- To ensure residents are taxed fairly and proportionately, building trust in the City's administration.
- To support municipal fiscal health and foster North Battleford's reputation as an attractive commercial destination.
- To obtain objective, expert advice from a consultant on fair taxation models that meet the needs of both current and future residents and businesses.

Taxation Structure Overview

Residential Properties

The City of North Battleford currently uses a two-part taxation system for residential properties:

- **Base Flat Amount:** All residential properties, regardless of size or assessed value, are assessed a standard base flat tax. This flat charge ensures every

resident supports essential municipal services such as roads, public safety, and recreation facilities.

- **Mill Rate Factor:** In addition to the base amount, residential properties are taxed based on their assessed value using a uniform mill rate and mill rate factor. This rate is reviewed annually.

This system strives to balance predictability with fairness, ensuring all residents contribute while those with higher property values pay accordingly.

Residential properties include the following subclasses: residential, condominiums and vacant residential land. The residential properties funds 40% of the overall taxes for the City.

Commercial Properties

For commercial properties, taxation is based solely on the assessed value:

- **Assessed Value and Mill Rates:** Commercial properties do not have a base flat tax. Taxes are calculated exclusively by applying the commercial mill rate to the property's assessed value, matching the tax burden to the scale of each business's property.
- **No Base Flat Tax:** This approach prevents small businesses from being excessively burdened, while ensuring larger enterprises contribute proportionately.

This method is intended to help North Battleford remain competitive for new business development and to encourage commercial growth.

Commercial properties include the following subclasses: commercial, elevators, multi-residential and railway. The residential properties funds 60% of the overall taxes for the City.

Policy Rationale and Justification

- **Fairness and Equity:** The dual structure for residential properties ensures all residents contribute, while the mill-rate portion means those with greater property wealth pay more. For commercial properties, taxation by assessed value reflects usage of public resources and supports North Battleford's attractiveness for new investments and jobs.
- **Simplicity and Transparency:** The City's straightforward calculation methods make tax obligations easy to understand and communicate.
- **Responsiveness to Community and Economic Needs:** Regular reviews and the involvement of a consultant help ensure the model remains relevant to residents'

needs, economic shifts, and the City's goal of attracting new commercial enterprises.

Consultant Engagement

To support these goals, the City of North Battleford is seeking to hire a qualified consultant who can review the existing property tax system and recommend improvements. The consultant will:

- Analyze the current taxation models for residential and commercial properties.
- Assess the fairness and competitiveness of the existing framework in comparison to similar municipalities.
- Engage with City Council for feedback.
- Present findings and recommend a fair, transparent, and sustainable taxation model that aligns with North Battleford's objectives for equity and economic growth.

Implementation and Administration

The City's Finance Department, and City Council, will oversee the administration of property taxation, including the consultant's review. Core responsibilities include:

- Annual review and setting of mill rates for both residential and commercial classes, ensuring ongoing fairness and competitiveness.
- Delivering accurate, timely, and transparent billing to all property owners.
- Communicating tax policy changes and consultant recommendations to the public.

Assessment Methodology

- Property assessments follow the Saskatchewan guidelines to ensure consistency and fairness.
- Residential and commercial properties are appraised separately with attention to market data, building specifics, and location.
- Assessment results are provided ahead of billing cycle, with opportunity for review and response by property owners.

Appeals and Dispute Resolution

The City maintains a transparent appeals process, enabling owners to contest assessments or tax bills. This process includes:

- Annual appeal periods following assessment notice releases.

- Access to impartial review boards and opportunities for providing supporting information.
- Clear timelines and communication regarding decisions.

Review and Amendment Process

- Mill rates and flat tax amounts are evaluated annually, with adjustments made as needed for fairness and competitiveness.
- Proposed changes and consultant recommendations are presented to City Council for review and approval by November 2025.

Communication and Public Engagement

- Information sessions could be held for residents, businesses, and potential investors to discuss tax policy and proposed changes.

Conclusion

The City of North Battleford's approach to property tax billing is rooted in fairness for residents and competitiveness for commercial development. By engaging an external consultant to review and recommend a taxation model, the City demonstrates its commitment to transparency, adaptability, and community-driven governance. This process will help ensure that North Battleford remains an equitable, thriving, and sustainable community for all.