

Background Notes from the Mayor's Desk – December 13, 2016

It is December. On behalf of Council and all the staff in the Town of Sundre, I would like to wish everyone the Merriest of Christmases and the very best in the new year. Please stay safe and aware if you are travelling; take a moment or two on your own to reflect on the positive things in your lives and the blessings taken for granted each day.

How will my taxes and utility rates change in 2017?

Council and staff typically spend the months of October and November focused on planning for the upcoming year. Goals are set, and the projected budgets are outlined for consideration. The finance and administration department begins the process in July and August to prepare for public input meetings, and early in December decisions are made so that any changes to fees and taxes happen in January.

The budget Council passed December 5th will be for the next 2 years, 2017 and 2018. There will be an election in October of 2017, so this Council passed an Operating budget for the first year of the next Council term.

The operating budget as passed will see a 3% increase in taxes for 2017 as well as a 3% increase in taxes for 2018. Utility rates for water, waste water (sewer), solid waste (garbage, composting and recycling), storm water and gas will not see the same 3% increase. Varying utility rate changes will mean that, when combining the tax increase and utility rate changes, the average residential homeowner with a home assessed at \$350,000 will see an overall combined increase of 2.05%, or \$9.37 increase per month, for both taxes and utilities. 2018 will see an overall combined tax, and utility rate increase of 2%, or \$9.32 per month.

To get to those numbers, we assume we will grow by 1% of additional assessment value for newly constructed buildings. For 2017, we have been able to use \$40,000 from prior surplus to subsidize the 2017 budget and keep taxes down. Staff and Council will also see a 0% cost of living adjustment for their wages in 2017.

December 5th, Council passed the budget for 2017 and 2018, as well as the fee bylaw, which sets utility rate changes, and fees for all services. Your January utility bills will reflect the new rates.

The Carbon Tax Levy will be added to your utility bills, starting in February, as part of the Alberta Climate Leadership Plan. This will affect gas consumption charges. From the Council point of view, because this is a Provincial change to your gas rates, we can't provide you with specific detailed information yet. There will be more information coming to us and we will pass those details on to you as we receive them.

The budget and fee bylaw are detailed documents. I'm sure many of you will have questions. There are reasons behind the decisions that have been made to get to these proposed numbers and every Councillor welcomes your questions. Please call me at 403-559-7352 if you want to talk about any of the information above, or any other topic.

Terry Leslie, Mayor
Town of Sundre