

MEMORANDUM

To: Town of Stettler Council
From: Administration
Date: May 19, 2020
Re: 2020 Tax Budget

Recommendation

That the Town of Stettler Council adopt, as per Section 242(1) of the Municipal Government Act, the 2020 Operating Budget for the Town of Stettler as presented with combined expenditures and transfers totaling \$18,240,375 and with average municipal property tax class changes as follows:

- Residential 0%
- Non-Residential -1%

Highlights of the 2020 Budget (After Council Budget Deliberations (May 12, 2020 – 0% Res / -1% Non-Res)

Total 2020 Budget	18,240,375			
Total Revenue Other Than Taxes	9,712,591	53.25%		
Total 2020 Tax Levy	8,527,784	46.75%		
Residential	3,722,500	62.56%	43.65%	
Non Residential	2,227,096	37.43%	26.12%	
County of Stettler Annexation	-	0.00%	0.00%	
DIP (Provincial Industrial Assessment New 2018)	917	0.02%	0.01%	
Total Tax Levy Required for Municipal Operations	5,950,513	100.00%		
ASFF School	2,226,935		26.11%	
Senior Lodges	350,336		4.11%	
	8,527,784		100.00%	

COVID – 19 Impact – We’re all in this together

COVID-19 is taking an unprecedented toll on our local economy and on the Town of Stettler finances. The closure of our facilities and cancellation of recreational programming, has resulted in significant temporary revenue losses. Our immediate priority is the health of our residents but we must also start looking to the future and planning for recovery. We will continue to act in the best interests of our taxpayers while ensuring the Town of Stettler remains the true “Heart of Alberta.” In order to assist those financially impacted by the COVID-19 pandemic, The Town of Stettler has extended the Property Tax Payment Deadline to October 30, 2020 from June 30, 2020 also, residents have the option to defer utility payments for up to three (3) months for the billing period of April 1st, 2020 – June 30th, 2020. Additionally, the penalty charge, to be applied in April for February 2020 consumption was also waived. This budget assumes that foregone revenue losses will continue through the summer 2020 and will start recovery in September. Nontax revenue impairment is real but not expected to be permanent given the nature of the services that the Town provides.

2020 Property Assessment

Property values (assessment) in Stettler for 2020 taxation purposes have been set in accordance with the assessment provisions contained in the Municipal Government Act. Each assessment must reflect the characteristics and physical condition of the property on December 31st, 2019; however, the valuation standard that must be applied is based on the property's market value at July 1st, 2019. For 2020 property values (assessment) for taxation purposes; residential values depreciated by an average of (-1.15%) while non-residential values depreciated by an average of (-0.22%). Individual property assessment values will vary within each class.

2020 Property Taxation

The 2020 Operating (Tax) Budget and Tax Rate Bylaw based on the following assumptions as authorized during the 2020 Interim Budget process, Council Tax budget deliberations held May 12 and COVID-19 circumstances:

Average 0% municipal tax increase to pre-existing residential properties
Average -1% municipal tax decrease to pre-existing non-residential properties.

With a 0% Residential property tax increase, **no additional revenue** will be generated for municipal purposes from pre-existing 2019 residential taxpayers. Pre-existing Non-Residential taxpayers with a -1% decrease will see a decrease in overall property class revenue for municipal purposes of **-\$22,237**. An additional \$38,098 will be generated for municipal purposes from new construction growth within both property classes. For 2020, the average financial impact on each "previously existing" property tax class based on the combined "Real Dollar" property tax payable (from all tax authorities; municipal, school and seniors) is as follows: residential property depreciated by an average of **(-1.83%)** while non-residential property depreciated by an average of **(-3.38%)**.

But What does it mean.....

Residential Property – 1976 1,080 square foot bungalow, developed upstairs and downstairs with a unattached garage

	2019	2020	Increase \$	Decrease %
Assessment	271,400	265,680	-5,720	-2.11%
Taxes:				
Municipal	1,847	1,817	-30	-1.64%
School	720	660	-60	-8.33%
Seniors	114	118	4	3.51%
Total Taxes	2,681	2,595	-86	-3.22%

Non-Residential Property – 1972 industrial building

	2019	2020	Increase \$	Decrease %
Total Assessment	623,890	616,230	-7,660	-1.23%
Taxes:				
Municipal	5,656	5,544	-112	-1.98%
School	2473	2207	-266	-10.76%
Seniors	261	274	13	4.98%
Total Taxes	8,390	8,025	-365	-4.35%

Budget Summary			
Revenue	Total Budget	Difference	%
2019 Budget (May 2019)	\$18,753,734		
2020 Interim Budget (Nov 2019)	\$18,952,898	\$199,164	1.06%
2020 Budget (May 2020)	\$18,240,375	-\$712,523	-3.76%
Expense			
2019 Budget (May 2019)	\$17,677,384		
2020 Interim Budget (Nov 2019)	\$17,927,471	\$250,087	1.41%
2020 Budget (May 2020)	\$17,691,128	-\$236,343	-1.32%
Available fo Capital = 1% tax = \$59,721			
2019 Budget (May 2019)	\$1,076,350		
2020 Interim Budget (Nov 2019)	\$1,025,427	-\$50,923	-0.86%
2020 Budget (May 2020)	\$549,247	-\$476,180	-8.03%

Current/Relevant Municipal Budget Considerations:

Updated **nontax** revenue and expenditure forecasting from the previously approved 2020 Interim Operating Budget has resulted in a **decrease of \$476,180** being available for the 2020 Capital Budget. Provided Town Council approves a **0%** property tax increase in the Residential Property Class and a **decrease of -1%** in the Non-Residential Property Class, the amount estimated as available for capital (from operating) in 2020 will **decrease** to **\$549,247** from **\$1,025,427**, a decrease of \$476,180 (\$404,582 nontax adjustments to 2020 Interim Budget / \$71,598 from revised tax estimates at 0% & -1%)

Town of Stettler - 2020 Budget Adjustments					
	Municipal	Water, Sewer, Garbage	DIP	ASFF	Housing
Revenues					
2020 Tax Adjustment - 0%Res / -1% NonRes (\$6,021,194 Interim Budget (1%) - \$37,100 Res - \$44,474 NonRes = \$5,939,620	\$ (81,574)				
2020 Tax Adjustment from assessment (\$5,939,620+\$9,976=\$5,949,596)	\$ 9,976				
DIP Provincial Assessment (\$960-\$43 = \$917)			\$ (43)		
COVID 2020 - Fire Joint Training (\$3000) / Telephone (\$2850 (county)	\$ (5,850)				
2020 SRO (\$98,267 - \$52,825) (COVID 2020 / Wm E Hay contract to dec31)	\$ (45,442)				
2020 County Recreation (\$466,000-\$431,500 loss in Assessment)	\$ (34,500)				
COVID 2020 - HBC - Market Gardens (50% interest this spring?)	\$ (435)				
COVID 2020 - Ball Diamond Fees (no organized ball)	\$ (8,760)				
COVID 2020 - Ball Diamond Misc (no organized ball)	\$ (5,000)				
COVID 2020 - Soccer Fees (no organized soccer)	\$ (7,200)				
COVID 2020 - Recreation Centre Total Revenue (SRC Closed to public - till September 1, 2020 - SRC closed March 16)	\$ (38,425)				
COVID 2020 - Recreation Centre Total Revenue - trade show cancelled (SRC Closed to public - till September 1, 2020 - SRC closed March 16)	\$ (6,000)				
COVID 2020 - Fitness Centre Revenue - SRC closed to public till September 1, 2020 (6 month / 50% of revenue - \$37,200 / 2 = \$18,600	\$ (18,600)				
COVID 2020 - Pool Revenue - SRC closed to public till September 1, 2020 (6 month / 50% of revenue - \$284,750 / 2 = \$142,375)	\$ (142,375)				
COVID 2020 - Community Hall closed to public till September 1, 2020 (6 month / 50% of revenue - \$40,000 / 2 = \$20,000)	\$ (20,000)				
COVID 2020 - Seniors Centre HUB closed to public till September 1, 2020 (6 month / 50% of revenue - \$16,875 / 2 = \$8437)	\$ (8,438)				
COVID 2020 - Campground open May 14 (no Ball Soccer Tournaments) - \$100,000-\$50,000 = \$50,000 revised budget (crews - hail damage)	\$ (50,000)				
COVID 2020 - Water Revenue (est 10% commercial consumption)		\$ (81,780)			
COVID 2020 - Water/Sewer Penalties (est \$2000/month * 4 months)		\$ (8,000)			
COVID 2020 - Water Bulk water sales (est-\$40000-\$25000 = \$15000 revised budget)		\$ (25,000)			
COVID 2020 - Sewer Revenue (est 10% commercial consumption)		\$ (32,712)			
COVID 2020 - Sewer Dumping Charges (\$12000 - \$12000 = \$0 revised budget)		\$ (12,000)			
COVID 2020 - Planning and Development - Building Permits (\$30,000-\$10,000 = \$20,000 revised budget)	\$ (10,000)				
COVID 2020 - Planning and Development - Rezoning fees (\$500 - \$400 = \$100 revised budget)	\$ (400)				
COVID 2020 - Subd Land Dev - \$2000 - \$1800 = \$200 revised budget	\$ (1,800)				
COVID 2020 - BOT - Provincial Grant (\$6900 - \$-2900 = \$4000 revised budget	\$ (2,900)				
COVID 2020 - BOT - Trade Show Cancelled (\$70000-\$70000=\$0 revised budget)	\$ (70,000)				
Housing Authority Requisition (Increase - \$350,336 - \$347,873)					\$ 2,463
Education Tax - Residential (2019 Rates / \$1,404,101-\$1,351,573)				\$ (52,528)	
Education Tax - Non-Residential (2019 Rates / \$930,708 - \$875,362)				\$ (55,346)	
2019 Overlevy / Underlevy (DIP, ASFF, Seniors)			\$ 2	\$ 100,162	\$ (18)
	\$ (547,723)	\$ (159,492)	\$ (41)	\$ (7,712)	\$ 2,445

No Labour adjustments were made however we are optimistic there will be some realized (pool support staff)

Expenses						
Housing Authority Requisition (Increase - \$350,318 - \$347,873 revised budget)						\$ 2,445
DIP Provincial Assessment (\$930-\$11 = \$919)			\$ (11)			
Council - Travel and Subsistence (NO FCM/AUMA leadership)	\$ (7,000)					
Council - Membership / Conference Registration (NO FCM/ AUMA Leaders)	\$ (6,000)					
Admin - Allowance for Tax rebates - GIPOT (provincial program)	\$ 14,283					
COVID 2020 - Fire - Telephone (\$1550+\$550=\$2100 revised budget)	\$ 550					
COVID 2020 - Fire - Training (\$54000-\$6000=\$48000 revised budget)	\$ (6,000)					
COVID 2020 - Fire - Telephone (\$14700-\$5700=\$9000 revised budget)	\$ (5,700)					
COVID 2020 - Disaster - Contract (\$18000+\$12000 = \$30000 revised budget)	\$ 12,000					
COVID 2020 - SWMA Landfill Requisition (same as 2019 rate - \$65 - \$404,736-\$17856 = \$386880 revised budget)		\$ (17,856)				
COVID 2020 - SRC - Power	\$ (22,668)					
COVID 2020 - SRC - Gas	\$ (5,574)					
Waste Management - Garbage \$179,250-\$24078 = \$155172 revised budget		\$ (24,078)				
Waste Management - Composting \$27950-\$10286 = \$17664 revised budget		\$ (10,286)				
Waste Management - Recycling \$123500-\$18930 = \$104570 revised budget		\$ (18,930)				
COVID 2020 - Planning and Development -Training - \$10000-\$2500=\$7500 revised budget	\$ (2,500)					
COVID 2020 - Planning and Development -Legal - \$10000-\$5000=\$5000 revised budget	\$ (5,000)					
Planning and Development -Safety Code Inspections - No cost to Town - fees paid by developer - town receives 35% of fee \$30000-\$30000=\$0 revised budget	\$ (30,000)					
BOT - telephone - \$9000-\$6000=\$3000 revised budget	\$ (6,000)					
COVID 2020 - BOT - small equipment (new chairs - \$9000-\$4500=\$4500 revised budget	\$ (4,500)					
COVID 2020 - BOT - Tourism training - \$4000-\$500=\$3500 revised budget	\$ (500)					
COVID 2020 - BOT - Trade Show - \$52000-\$46000=\$6000 revised budget	\$ (46,000)					
COVID 2020 - BOT Community Development \$44000-\$44000=\$0 revised budget	\$ (44,000)					
COVID 2020 - Ball and Soccer Field Upgrades	\$ 4,694					
Separate School Requisition (2019 Rates \$177,747 - \$170,292)				\$ (7,455)		
Public School Requisition (2019 Rates \$2,157,062 - \$2,156,805)				\$ (257)		
	\$ (159,915)	\$ (71,150)	\$ (11)	\$ (7,712)	\$ 2,445	\$ (236,343)
Overall Change	\$ (387,808)	\$ (88,342)	\$ (30)	\$ -	\$ -	
2020 Interim Budget - Amount Available for Capital	\$ 635,497	\$ 389,930	\$ -	\$ -	\$ -	\$ 1,025,427
2020 Final Budget - Amount Available for Capital	\$ 247,689	\$ 301,588	\$ (30)	\$ -	\$ -	\$ 549,247
	\$ (476,180)					

Summary of Property Taxation Options for 2020

CPI - Alberta 0.7% (All Items - March 2019 to March 2020)

Municipal Taxes Only:					All Tax Authorities:			Interim Budget Impact	Revised 2019 Available for Capital
Option	Residential	Non-Residential	New Taxes Pre-existing	New Taxes New Growth	Residential	Non-Residential	New Taxes Pre-existing		
								\$ 1,025,427	\$ (404,582)
#5	0.00%	-1.00%	\$ (22,237)	\$ 38,098	#5	-1.83%	-3.38%	\$ (209,743)	#5 \$ (71,598) \$ 549,247

- Consistent or enhanced funding for Community Partners:

Seniors Housing Support	\$350,318	(+\$19,011 or 5.74% increase 2019 - \$331,307)
Library	\$250,182	(+\$4,480 or 1.82% increase 2019 - \$245,702)
Parkland Regional Library	\$50,890	(+\$1786 or 4% increase 2019 - \$49,104)
Board of Trade -Net	\$308,110	(+\$14,893 or 5.08% increase 2019 - \$293,217)
Joint Landfill	\$386,880	(Consistent with 2019)
Heartland Youth Centre	\$50,000	(Consistent with 2019)
Museum	\$34,000	(Consistent with 2019)
FCSS	\$196,435	(Consistent with 2019)
Handi-Bus	\$25,000	(Consistent with 2019)
Heartland Beautification	\$22,200	(Consistent with 2019)

- Amount available for the 2020 Capital Budget (\$4,445,062) from the Interim Operating Budget (adopted in December 2019) + 2020 Budget (May):

2020 Budget (May 2020)		2020 Interim Budget (Dec 2019)	Diff
General Reserve	\$247,659	\$635,497	(\$387,838)
Water Surplus	(\$63,562)	\$51,218	(\$114,780)
Other Surplus (waste, sewer)	\$365,150	\$338,712	\$26,438
	\$549,247	\$1,025,427	(\$476,180)

- County of Stettler No. 6 Recreation Contribution Partnership

Town of Stettler & County of Stettler												
Recreation Funding Summary												
	Assessment	Agreement %	% (\$)	Amount	Town of Stettler Budget	Actual Paid by County of Stettler	Assessment Diff	Budget Diff	% Diff	Capital (35%) \$93,300 + (65%) \$173,600	Available for Capital	Operating
2015	1,619,422,100	0.03170%	\$513,356.81	\$513,300.00	\$513,451.54	0	0	0.00%	\$266,900	\$118,400	\$128,000	
2016	1,564,948,030	0.03170%	\$496,088.53	\$496,000.00	\$495,612.29	-54,474,070	-17,300	-3.37%	\$266,900	\$118,400	\$110,700	
2017	1,486,850,730	0.03170%	\$471,331.68	\$471,500.00	\$471,008.25	-78,097,300	-24,500	-4.94%	\$266,900	\$118,400	\$86,200	
2018	1,497,109,550	0.03170%	\$474,583.73	\$474,000.00	\$474,248.66	10,258,820	2,500	0.53%	\$266,900	\$118,400	\$88,700	
2019	1,487,837,630	0.03170%	\$471,644.53	\$471,600.00	\$470,979.71	-9,271,920	-2,400	-0.51%	\$266,900	\$118,400	\$86,300	
2020	1,361,294,500	0.03170%	\$431,530.36	\$431,500.00		-126,543,130	-40,100	-8.50%	\$266,900	\$118,400	\$46,200	
2021	1,374,907,445	0.03170%	\$435,845.66	\$435,845.00		13,612,945	4,345	1.01%	\$266,900	\$118,400	\$50,545	
2022	1,388,656,519	0.03170%	\$440,204.12	\$440,205.00		13,749,074	4,360	1.00%	\$266,900	\$118,400	\$54,905	

- Business Licenses/Tax maintained at \$150 per year / \$350 Non-Resident Fee;
- Continue enhance RCMP funding to support local initiatives and peak periods.
- Council continues to financially support the recruitment/relocation process for healthcare workers to our community, as well as strategic efforts to further along provincially planned upgrades to the Stettler Health Care/Hospital Facilities which are on hold due to COVID 19.
- Stettler residents and visitors enjoy a high level of services and community facilities while local property taxes have consistently remained below the provincial average for similar sized municipalities (per Alberta Municipal Affairs most recent Financial Indicator Graphs)

- High quality water at affordable rates (\$1.4420 m³ & \$1.3960 m³) to Regional partners.
 - High quality municipal utility services at affordable rates for our local customers:
 - ✓ Flat Water Rate remains at \$10 per month
 - ✓ **Water Rate** increase of **\$0.02m³** (\$2.80 to \$2.82)
 - ✓ **Sewer Rate** increase of **\$0.25** (\$22.50 to \$22.75)
 - ✓ **Garbage Rate** increase of **\$0.25** (\$23.50 to \$23.75)
 - ✓ **Recycling Rate** no change (remains at \$6.50)
- Total - \$63.00 per month + \$2.82 water consumption (\$62.50 per month in 2019)

Property Assessment

	2019	%	2020	%	Difference	
Residential	537,462,140	69.66%	544,033,990	68.70%	6,571,850	68.70%
Farmland	185,740	0.02%	350,360	0.04%	164,620	0.04%
Industrial	71,053,140	9.21%	71,846,030	9.07%	792,890	9.07%
Commercial	147,495,710	19.12%	160,459,110	20.26%	12,963,400	20.26%
GIPO	3,104,850	0.40%	3,135,320	0.40%	30,470	0.40%
DIP (Provincial Industrial)	205,170	0.03%	204,330	0.03%	(840)	0.03%
Linear	12,011,870	1.56%	11,897,590	1.50%	(114,280)	1.50%
Total Taxable	771,518,620	100.00%	791,926,730	100.00%	20,408,110	
Annexed Residential	11,069,180	1.43%	-	0.00%	-	0.00%
Annexed Farmland	164,330	0.02%	-	0.00%	-	0.00%
Annexed Commercial	11,419,300	1.48%	-	0.00%	-	0.00%
Revised Total Taxable	794,171,430		791,926,730		(2,244,700)	100.00%
Total Growth & Inflation	3,726,790	0.48%	(2,244,700)	-0.28%		Net Change
Growth	4,769,780	0.62%	4,557,670	0.58%		Growth
Inflation	(1,042,990)	-0.14%	(6,802,370)	-0.86%		Inflation / Deflation
Revised Total Taxable	794,171,430		791,926,730			
Total Exempt	167,171,880		171,072,000			
Total Assessment	961,343,310		962,998,730			

Assessment Comparison

Overall Assessment values for 2020 assessment purposes decreased by (-\$2,244,700) (-0.28%) over 2019 including \$4,557,670 (0.56%) due to new construction/linear growth and Property Assessment decreased in market value of -0.86% (-\$6,802,370). The Annexation Agreement between the Town of Stettler and the County of Stettler expired on December 31, 2019 therefore the assessment from the annexed properties have been included in the assessment totals presented.

Assessment Valuation and the Financial Impact on Municipal Property Taxation

For 2020 property assessment/tax calculation purposes, pre-existing residential properties depreciated by an average of -1.15% while pre-existing non-residential properties also depreciated slightly by -0.22%.

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Residential	-1.15%	-0.34%	0.89%	-0.13%	-0.65%	2.09%	1.50%	0.58%	0.07%	0.26%	0.69%	9.48%
Non-Residential	-0.22%	0.52%	0.39%	0.70%	0.85%	1.47%	1.56%	1.49%	3.16%	1.44%	1.03%	5.79%

A Summary of 2020 Property Taxation Options has been prepared to quantify some alternative cumulative financial/budgetary impacts at various reasonable taxation increases over 2019 levels.

Summary of Property Taxation Options for 2020

CPI - Alberta 0.7% (All Items - March 2019 to March 2020)

<u>Municipal Taxes Only:</u>					<u>All Tax Authorities:</u>			Interim	Revised 2019
Option	Residential	Non-Residential	New Taxes Pre-existing	New Taxes New Growth	Residential	Non-Residential	New Taxes Pre-existing	Budget Impact	Available for Capital
								\$ 1,025,427	\$ (404,582)
#1	0.00%	0.00%	\$ -	\$ 38,356	#1	-1.83%	\$ (187,506)	#1 \$ (49,103)	\$ 571,742
#2	1.00%	1.00%	\$ 59,337	\$ 38,740	#2	-1.14%	\$ (128,168)	#2 \$ 10,618	\$ 631,463
#3	-1.00%	-1.00%	\$ (59,337)	\$ 37,972	#3	-2.51%	\$ (246,843)	#3 \$ (108,824)	\$ 512,021
#4	1.00%	0.00%	\$ 37,100	\$ 38,481	#4	-1.14%	\$ (150,405)	#4 \$ (11,878)	\$ 608,967
#5	0.00%	-1.00%	\$ (22,237)	\$ 38,098	#5	-1.83%	\$ (209,743)	#5 \$ (71,598)	\$ 549,247
#6	1.00%	-1.00%	\$ 14,863	\$ 38,222	#6	-1.14%	\$ (172,642)	#6 \$ (34,374)	\$ 586,471
#7	2.66%	4.00%	\$ 187,635	\$ 39,723	#7	0.00%	\$ 129	#7 \$ 139,899	\$ 760,744

2020 Alberta School Foundation Fund (ASFF)

Municipal taxes are the primary component (roughly 70%) of the annual property tax notice. However, the other substantial component is the Education Property Tax Requisition (roughly 25%).

A rough breakdown is as follow:

Municipal	-	70% of total property tax notice
ASFF	-	25% of total property tax notice
Seniors	-	5% of property tax notice

Education tax has a significant impact on the overall amount of property taxes collected from both tax classes. The average percentage changes necessary from pre-existing 2020 tax classes are as follows; based on the actual 2020 Education Property Tax Requisition:

	<u>Residential</u>	<u>Non-Residential</u>
Municipal	0%	0%
Education	-7.52%	-9.87%

Due to the Provincial Election on April 16, 2019, the Provincial ASFF payment was not finalized by the Province until October 2019. For the 2019 Budget, Administration had estimated the ASFF payment to increase by 4% based on prior year's summaries. ($\$2,322,377 / 2,415,272 = \$92,895 / 4\%$). The final ASFF Requisition was determined by the Province in October 2019 to be \$2,314,984 leaving an over levy collection of \$100,162 to be applied in 2020.

Due to the financial uncertainty of COVID-19, the Province of Alberta has maintained the 2020 ASFF Requisition to 2019 levels (2019 - \$2,314,984 / 2020 - \$2,327,097 = \$12,113). This increase of \$12,113 is due to a slight increase of \$3,434,557 in the Town of Stettler Equalized Assessment from 2019 to 2020 used to calculate the ASFF Requisition. ($\$797,745,987 - \$794,311,430$)

- 2018 – Actual - \$2,322,377
- 2019 – Actual - **\$2,314,984** / Budget \$2,415,272 (**\$92,895 / 4% increase from 2018**)
 - ASFF (paid to AB) - \$2,145,181
 - Separate (paid to AB) - \$169,803
 - Total - \$2,314,984
 - Residential (collected from tax) - \$1,456,713 - \$42,439 over levy
 - Non-Residential (collected from tax) - \$958,433 - \$57,723 over levy
 - Total - \$2,415,146 - \$100,162
- **2020 - \$2,327,097 (\$2,226,935 + \$100,162)**
 - ASFF (paid to AB) - \$2,156,805
 - Separate (paid to AB) - \$170,292
 - Total - \$2,327,097
 - Residential (collected from tax) - \$1,351,573 + \$42,439 over levy
 - Non-Residential (collected from tax) - \$875,362 + \$57,723 over levy
 - Total - \$2,226,935 + \$100,162

The impact on each property class is broken down as follows (\$2,226,935 - \$2,415,146 = **-\$188,211**):
 The entire Residential property class requisition will decrease by **(\$105,140)** for school purposes in 2020. (\$42,439) from the over levy collected in 2019, (\$62,701) from previously existing properties in 2019 representing a 7.52% decrease and \$4,355 will be generated from new residential construction growth.

The entire Non-Residential property class requisition will decrease by **(\$83,071)** for school purposes in 2020. (\$57,723) from the over levy collected in 2019, (\$25,348) from previously existing properties in 2019 representing a 9.87% decrease and \$11,665 will be generated from new non-residential construction growth.

Options:

1. Town Council may desire to change expenditure allocations for any purposes within the proposed 2020 Operating (Tax) Budget thereby changing the projected amount available for capital purposes.
2. Town Council may consider changing the percentage increase / decrease for either property tax class which will result in a corresponding enhancement or a reduction in the projected amount available for capital purposes. The impact of a 1% change in either class is as follows:

Residential Class 1% change equals:	+/- \$37,225
Non-Residential Class 1% change equals:	+/- <u>\$22,496</u>
Combined 1% change:	+/- \$59,721 (1½% - \$29,860)

Town of Stettler									
Annual Financial Incremental Impact on Average Residential Customer:									
	2018	2018	Diff	2019	2019	Diff	2020	2020	Diff
Assessment	0.71%	\$274,230		-1.03%	\$271,400		-2.11%	\$265,680	
ASFF		\$702	\$25.00		\$720	\$18.00		\$660	-\$60.00
Seniors		\$110	\$8.00		\$114	\$4.00		\$118	\$4.00
Municipal Tax Levy		\$1,824.00	\$33.00		\$1,847.00	\$23.00		\$1,817.00	-\$30.00
Water Rate per Cubic Meter Based on 17 M3 per Month	\$2.79 x 17m3 x 12	\$569.16	\$2.04	\$2.80x 17m3 x 12	\$571.20	\$2.04	\$2.82x 17m3 x 12	\$575.28	\$4.08
Water Fixed Rate - \$10.00 per Month	\$10 x 12	\$120.00	\$0.00	\$10 x 12	\$120.00	\$0.00	\$10 x 12	\$120.00	\$0.00
Sewer Fixed Rate per Month	\$22.25 x 12	\$267.00	\$3.00	\$22.50 x 12	\$270.00	\$3.00	\$22.75 x 12	\$273.00	\$3.00
Garbage Fixed Rate per Month	\$23.25 x 12	\$279.00	\$3.00	\$23.50 x 12	\$282.00	\$3.00	\$23.75 x 12	\$285.00	\$3.00
Recycling Fixed Rate	\$6.25 x 12	\$75.00	\$0.00	\$6.50 x 12	\$78.00	\$3.00	\$6.50 x 12	\$78.00	\$0.00
Total (Municipal Only)		\$3,134.16	\$41.04		\$3,168.20	\$34.04		\$3,148.28	-\$19.92
Overall Percentage Change			1.33%			1.09%			-0.63%
Total - Municipal / ASFF / Seniors		\$3,946.16	\$74.04		\$4,002.20	\$56.04		\$3,926.28	-\$75.92
Overall Percentage Change - Municipal / ASFF / Seniors			1.91%			1.42%			-1.90%
			\$74.04			\$56.04			-\$75.92

Municipality	Typical User /month	Water Total /month - 20m³ per month	Sanitary Sewer Total /month	Storm Sewer /month	Solid Waste /month	Recycling /month	Yard Waste (Compost) /month	Year Bylaw Updated	Population
Bonnyville	\$79.27	\$50.28	\$12.55		\$12.90	\$3.54		2020	5,417
Bassano	\$80.63	\$48.00	\$13.75	\$5.00	\$10.25	\$3.63		2020	1,206
Delburne	\$89.76	\$57.35	\$13.00		\$16.00	\$3.41		2020	892
High River	\$99.07	\$34.78	\$47.44	\$2.86	\$11.16	\$2.83		2020	13,584
Brooks	\$99.32	\$62.98	\$18.53		\$14.27	\$3.54		2020	14,451
Claresholm	\$99.35	\$59.75	\$16.80		\$12.50	\$10.30		2020	3,780
Whitcourt	\$99.70	\$32.99	\$35.79		\$22.04	\$8.88		2020	10,204
Edson	\$101.40	\$28.83	\$46.07		\$17.50	\$9.00		2020	8,414
Banff	\$103.65	\$24.99	\$59.33		\$19.33			2020	7,851
Drumheller	\$106.28	\$54.91	\$48.62			\$2.75		2020	7,982
Jasper	\$116.27	\$48.20	\$18.20	\$5.98	\$28.31	\$15.58		2020	5,236
Cochrane	\$117.42	\$32.05	\$53.20	\$4.69	\$22.48	\$5.00		2020	25,853
Stettler	\$119.40	\$66.40	\$22.75		\$23.75	\$6.50		2020	5,952
Medicine Hat	\$124.69	\$50.75	\$47.66		\$18.77	\$7.51		2020	63,260
Redcliff	\$124.80	\$64.36	\$37.85		\$22.59			2020	5,600
Strathmore	\$129.93	\$65.89	\$28.72	\$11.16	\$24.16			2020	13,756
Taber	\$130.17	\$48.12	\$46.78	\$10.14	\$21.24	\$3.89		2020	8,428
Okotoks	\$131.64	\$47.50	\$54.25	\$6.93	\$22.96			2020	28,881
Camrose	\$132.53	\$65.43	\$43.09		\$15.21	\$6.00	\$2.80	2020	18,742
Wembley	\$132.79	\$48.62	\$64.67		\$17.00	\$2.50		2020	1,516
Leduc	\$133.99	\$61.24	\$44.10	\$5.00	\$15.50	\$8.15		2020	29,993
Westlock	\$136.36	\$78.70	\$24.96	\$2.00	\$28.70			2020	5,101
Sexsmith	\$136.89	\$48.62	\$64.67		\$17.00	\$6.60		2020	2,620
Airdrie	\$137.01	\$47.60	\$62.62		\$21.31	\$5.48		2020	61,581
Ponoka	\$137.11	\$74.74	\$35.85		\$19.92	\$6.60		2020	7,229
Three Hills	\$138.40	\$80.40	\$39.00		\$13.00	\$6.00		2020	3,212
Grande Prairie	\$138.42	\$48.62	\$59.41		\$20.21	\$10.18		2020	63,166
Fort Saskatchewan	\$142.50	\$62.84	\$52.40		\$27.26			2020	24,149
St Albert	\$142.69	\$48.18	\$51.79	\$16.11	\$13.35	\$6.54	\$6.72	2020	65,589
Canmore	\$146.71	\$35.98	\$76.44		\$18.27	\$16.02		2020	13,992
Spruce Grove	\$146.95	\$68.70	\$53.00		\$25.25			2020	34,066
Penhold	\$151.15	\$42.00	\$81.90	\$4.25	\$23.00			2020	3,277
Devon	\$151.26	\$44.46	\$68.80	\$8.00	\$30.00			2020	6,578
Morinville	\$156.11	\$78.35	\$48.09	\$7.50	\$11.35	\$4.58	\$6.24	2020	9,848
Innisfail	\$157.00	\$60.00	\$74.00		\$18.00	\$5.00		2020	7,847
Wetaskiwin	\$158.53	\$81.08	\$58.04		\$19.41	\$0.00		2020	12,655
Stoney Plain	\$161.88	\$69.34	\$55.80	\$8.59	\$20.15		\$8.00	2020	17,189
Sherwood park	\$166.57	\$59.16	\$74.16	\$7.80	\$25.45			2020	64,733
Lacombe	\$171.47	\$76.81	\$62.90		\$31.76			2020	13,057
Blackfalds	\$172.94	\$82.07	\$62.59		\$28.28			2020	9,328
Nanton	\$176.75	\$76.50	\$84.25	\$2.00	\$7.50	\$6.50		2020	2,130
Alix	\$198.38	\$96.20	\$71.25		\$25.00	\$5.93		2020	1,018
Olds	\$201.93	\$69.63	\$108.00		\$24.30			2020	9,184

Water, Sewer, Garbage & Recycling		2020 Budget - Council May 19, 2020 (0% Res / -1% NonRes)				
Net Budget Impacts						
		2018	2019	2020	2021	2022
		\$10/month plus 630,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³
		@ \$2.7900 m ³	@ \$2.8000 m ³	@ \$2.8200m ³	@ \$2.8300 m ³	@ \$2.8400 m ³
Revenue - Water		\$ 2,992,355	\$ 3,128,812	\$ 3,032,318	\$ 3,153,000	\$ 3,154,983
Expenditures - Water		\$ 2,816,041	\$ 3,033,843	\$ 3,095,880	\$ 3,104,212	\$ 3,124,925
Net Budget Impact		\$ 176,314	\$ 94,969	\$ (63,562)	\$ 48,788	\$ 30,058
Net Depreciation, not included		\$ 297,241	\$ 299,040	\$ 298,358	\$ 297,677	\$ 289,846
Debenture Principal, included		\$ 145,570	\$ 148,220	\$ 154,780	\$ 161,640	\$ 163,700
Plus R.O.I. Included in Exp.		\$ 240,000	\$ 235,000	\$ 230,000	\$ 225,000	\$ 225,000
Debenture Interest, included in Exp.		\$ 96,830	\$ 87,300	\$ 80,660	\$ 73,720	\$ 66,470
		2018	2019	2020	2021	2021
		@ \$22.25/month	@ \$22.50/month	@ \$22.75/month	@ \$23.00/month	@ \$23.25/month
Revenue - Sewer		\$ 948,010	\$ 941,490	\$ 905,963	\$ 953,102	\$ 955,529
Expenditures - Sewer		\$ 754,073	\$ 714,907	\$ 642,607	\$ 647,547	\$ 653,639
Net Budget Impact		\$ 193,937	\$ 226,583	\$ 263,356	\$ 305,555	\$ 301,890
Debenture Princ & Int		\$ 262,100	\$ 226,280	\$ 160,940	\$ 160,900	\$ 160,900
		2018	2019	2020	2021	2021
		2185/month	2190/month	2190/month	2195/month	2200/month
		@ \$23.25/month	@ \$23.50/month	@ \$23.75/month	@ \$24.05/month	@ \$24.50/month
Revenue - Garbage		\$ 639,615	\$ 648,725	\$ 655,790	\$ 667,096	\$ 680,800
Expenditures - Garbage		\$ 582,938	\$ 593,120	\$ 600,632	\$ 619,118	\$ 640,704
Net Budget Impact		\$ 56,677	\$ 55,605	\$ 55,158	\$ 47,978	\$ 40,096
		2018	2019	2020	2021	2021
		2160	2160	2160	2165	2170
		@ \$6.25/month	@ \$6.50/month	@ \$6.50/month	@ \$6.75/month	@ \$7.00/month
Revenue - Recycling		\$ 162,000	\$ 168,480	\$ 168,870	\$ 175,365	\$ 182,280
Expenditures - Recycling/Compost		\$ 143,490	\$ 148,815	\$ 122,234	\$ 122,234	\$ 124,847
Net Budget Impact		\$ 18,510	\$ 19,665	\$ 46,636	\$ 53,131	\$ 57,433
Combined Net Budget Impact:		\$ 445,438	\$ 396,822	\$ 301,588	\$ 455,452	\$ 429,477
Non-Utility Net Budget Impact		\$ 581,467	\$ 679,528	\$ 247,659	\$ 559,965	\$ 570,373
		\$ 1,026,905	\$ 1,076,350	\$ 549,247	\$ 1,015,417	\$ 999,850
	1/2% Municipal Tax Increase			\$ 29,860		
	\$.01 increase in Municipal Water			\$ 6,002		
	\$1 increase in Flat Fee Municipal WATER			\$ 29,686		
	\$.01 increase in Municipal Water (COMMERCIAL SEWER)			\$ 1,160		
	\$.05 increase in Flat Fee Municipal SEWER			\$ 1,267		
	\$.05 increase in Flat Fee Municipal GARBAGE			\$ 1,314		
	\$.05 increase in Flat Fee Municipal RECYCLING			\$ 1,296		