



COUNTY OF GRANDE PRAIRIE No. 1

PROUD SPONSOR



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2010 Interim Budget Defies Economic Downturn; Decrease in Property Taxes, No Cuts to Services

County Council approved Wednesday a balanced interim operating and capital budget for 2010. The 2010 preliminary budget totals \$80.1 million and includes estimated expenditures of \$44.4 million for general operating and \$35.7 million for capital. This represents a total operating increase of \$1.75 million, a 4.1% increase over last year.

Once again, a major percentage of the capital budget-\$22 million-is for road construction. It includes work on a total of 25.9 kms of County roads; 16.8 kms will get new pavement, 9.1 kms of surfaced road overlay and further construction to be determined under the divisional program. The County will receive \$4.7 million in Provincial grants and \$2.39 million in Federal grants to cover portions of the road work.

In addition to road construction the 2010 capital budget includes:

- \$6.3 million for vehicle and equipment replacement units including six graders, two loaders, two used motors scrapers and two fire engines.
- \$2.66 million for new vehicles and heavy projects
- \$538,000 to complete Phase 2 of local high speed internet tower project.
- \$2.5 million contribution to Beaverlodge swimming pool, wholly funded by MSI grant in each of 2010 and 2011 to meet \$5 million commitment
- \$1.5 million for Clairmont landfill cell construction

Balancing rapid growth and the continued delivery of quality services resulted in a 4.1 per cent increase in the operating budget from last year due to:

- \$131,000 in operating costs for new municipal services building.
- \$90,000 for Landfill study/plans
- \$855,000 increase in debt servicing
- \$300,000 increase to the fire contract with the City of Grande Prairie.
- \$186,000 in wages and training for paid on-call firefighters.

As a result of changing economic conditions, the assessed value of all properties is estimated to decrease by 4%, with most residential properties seeing a decrease in market value.



In 2010, there is a bi-monthly \$3.00 rate increase for residential water service in Bezanson, LaGlance and Teepee Creek. There is also a \$1.00 bi-monthly increase for residential sewer service and a \$2.00 increase for commercial sewer service in all hamlets. The increases will offset the rising operating costs.

What does the budget means for taxes?

Property taxes are proposed to decrease by 0.5%. An average residence assessed at \$289,000 which had a 7 per cent decrease in assessment due to market value, would pay about \$5 less in municipal taxes than last year. Changes in individual property taxes will reflect the varying change in market value across the County.

Non-residential tax revenue, which includes machinery and equipment, and linear (pipeline), will also decrease by 0.5%. Changes in individual commercial properties will vary based market value changes across the County.

Farmland taxes are proposed to also decrease by 0.5%.

It is important to note that the County of Grande Prairie's budget released today is an interim budget. The assessment figures within include some assumptions, particularly with respect to linear assessment numbers. County Council will not be able to finalize the 2010 budget until final assessment numbers in the spring, at which time some changes may be made. Final tax rates will be set at this time.

“This budget serves as a model of fiscal restraint that will ensure the County is well positioned to overcome challenges the future may hold,” stated Reeve Everett McDonald. “By decreasing property taxes, this budget will have a real impact on our communities, making it easier for families to continue to enjoy our high quality of life and for businesses to create jobs and grow our economy.”

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