

News Release

Dec. 13, 2011



Leduc City Council amends 2012 tax impact to 4.6% by spring – 3% of tax increase to maintain fire and ambulance service levels

Leduc's 2012 Municipal Budget may see a tax increase as low as 4.6 per cent as of April 2012 (see attached 2012 Budget Backgrounder). Council directed administration on Dec. 12, 2011 to bring forward a proposal to reduce the tax increase by at least 1 per cent, bringing it to 4.6, when the mill rate is set this spring.

"Our priority is to look out for taxpayers and with the challenges of this budget we've directed administration to reduce taxes by 1 per cent," says Leduc Mayor Greg Krischke. "We must minimize the impact to citizens while balancing a growth of 42 per cent over the last five years and the significant costs of services we provide.

"A full 3 per cent of next year's tax increase is necessary just to maintain current service levels for fire and ambulance," says Krischke.

During the Dec. 12, 2011 regular council meeting, they approved, in principle, a three-year Operating Budget, a five-year Capital Plan and a six to 10-year Capital Forecast. The anticipated tax rate increase of 4.6 per cent equates to an increase of about \$88 for a home assessed at \$300,000.

The City of Leduc's budget process is unique as it includes the public budget committee comprised of all seven members of council and four Leduc citizens. Over three days, the committee reviews financials and presentations from all city business units to make recommendations to council for operating budgets and capital plan/forecasts. Leduc's budget process also includes a three-year operational budget for greater year-over-year continuity.

For more information, refer to the attached background information or call (780) 980-7177.

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**Attached 2012 Budget Backgrounder*

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2012 Budget Backgrounder



1. The 2012 Public Budget process resulted in a proposed tax increase of 7.2 per cent on Nov. 19, 2011. The breakdown is as follows:
 - 4.6 per cent for fire and ambulance services
 - 2.6 per cent for all remaining city departments
2. The increase was smoothed to 5.6 (1.6 per cent to be transferred from the mill rate stabilization reserve) during the regular council meeting on Dec. 12, 2011. The breakdown is as follows:
 - 3 per cent for fire and ambulance services
 - 2.6 per cent for all remaining city departments
3. During the same regular council meeting on Dec. 12, council provided further direction to administration to reduce the tax impact by at least 1 per cent to 4.6 by April 2012.

BUDGET HIGHLIGHTS

Operations Budget

The City of Leduc's revenues are projected to be \$66,331,288 for 2012; \$68,860,102 for 2013; and \$72,539,157 for 2014.

Operational budget highlights include:

- Sport and Agricultural Tourism funding increase of \$30,000
- Environmental Plan funding of \$5,000 for 2012 and \$15,000 annually for operational costs, as well as \$50,000 one-time funding for implementing the plan
- Marketing Strategy funding of \$50,000
- Weed Control Pilot Project one-time funding of \$22,000

Capital Budget

The 2012 – 2021 Capital Plan shows total spending of \$212,344,974 with \$103,655,900 currently unfunded. (Unfunded projects are flagged for future consideration, however are not approved at this time.)

The 10-year Capital Plan/Forecast includes:

- Continue installation of sidewalk para-ramps
- Installation of additional school-zone flashing signals, electronic speed-notification signage and pedestrian-crossing signs
- Begin implementation of the new Downtown Master Plan
- \$25,000 allocated as seed money for administration to work with the community and potential partners on a future spray park
- Widening of 50 Avenue/Highway 39 from Highway 2 to Alton Drive to accommodate increased traffic volumes

Fees and Charges Revisions

The following fees and charges were increased in this budget to offset increasing service costs:

Leduc Recreation Centre:

- Memberships/admissions

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- Single admission rates increased by 3 per cent, \$3.60 - \$18.05 (from \$3.50 - \$17.50)
 - Monthly admission rates increased by 2 per cent, \$23.20 - \$116.05 (from \$22.75 – \$113.75)
 - Annual membership rates increased by 2 per cent, \$232.05 - \$1,160.25 (from \$227.50 - \$1,137.50)

 - Arena and pool rentals
 - Ice surface rentals increase by 7 per cent on hourly rates
 - Aquatic program-based fees increase between 7 – 14 per cent

 - New rates added:
 - Commercial/non-local ice rental \$244.47/hour
 - Off-season Co-op Field House rate \$69.55/hour
 - Daily room rentals for Ledcor and Rotary rooms

Utilities: The increase is \$2.10/month per household based on an average consumption of 16 cu. m. The breakdown is as follows:

- Solid Waste (garbage and recycling): \$0.50/month
- Water and Wastewater: \$1.60/month

Meals on Wheels: Effective April 1 – Dec. 31, 2012, meals will increase by \$1, from \$8/meal to \$9.