Budget





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Budget highlight

The 2023 budget proposes a 5.51% municipal tax rate increase for both residential, and non-residential properties.

With the state of the economy the Town is committed to controlling spending. This means responsibly managing reserves and debt to ensure financial viability for years to come.

Rate Changes

Franchise fees are increasing, but the transportation levy is not increasing.

Total proposed operating budget: \$44,812,138

Total proposed capital budget: \$17,958,000

Highlights

- A 0% increase for core budget expenditures in 2023
- The provincial government is expected to pass its budget in the spring, including education tax amounts. Also, by this time, final assessments are prepared and final tax rates are set. Combined tax and assessment notices are mailed out at the end of May 2023
- Council intends to approve the operating budget at a Regular Meeting of Council on March 27, 2023





How does this budget look for the average residential homeowner?

POTENTIAL IMPACTS ON TYPICAL RESIDENTIAL PROPERTIES

Focusing on municipal service delivery, the draft 2023 budget proposes a 5.51% residential tax rate increase. The average resident property owner will pay \$142 more than last year.

| | 2022 | 2023 |
|----------------------------------------------------------------------|-----------|-----------|
| Assessed Value | \$350,000 | \$355,000 |
| Municipal Tax Rate Change | 3.82% | 5.51% |
| Municipal Property Taxes | \$2,087 | \$2,233 |
| Transportation Levy | \$68 | \$66 |
| Recreation Levy | \$128 | \$126 |
| Average Total | \$2,283 | \$2,425 |
| Total Change | | \$142* |
| *Does not include the Alberta Education Tax or Sylvan Lake Lodge Tax | | |

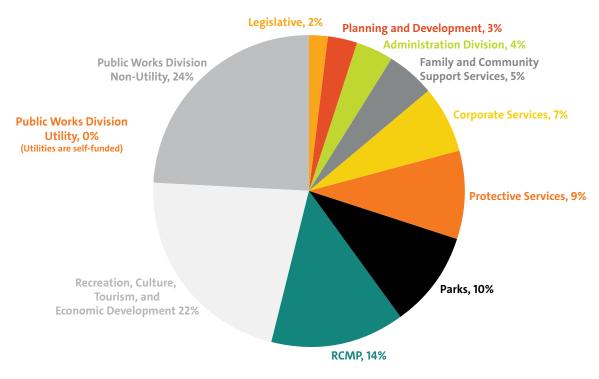


What does that work out to?

- •\$12.16 per month
- •\$2.80 per week
- •\$0.40 per day

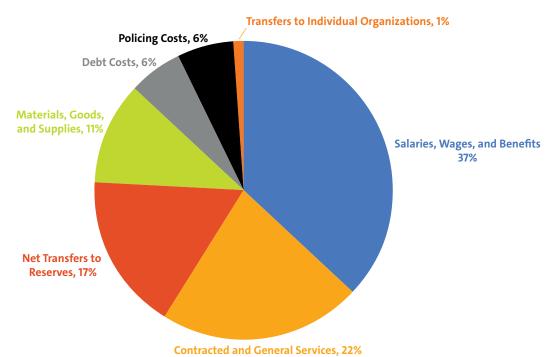


How much of my tax dollars are funding each department?



*Public Works Division Utilities are self-funded through utility fees, grant funding, borrowing, and related development levies. See the next page for utility rates details.

What percentage of my tax dollars funding each type of operating expense?





A utility rate increase is planned for 2023 because:

- Goods and supplies cost more each year. Just like our residents, the Town faces the same cost increases
- In 2021, the Sylvan Lake Regional Water and Wastewater Commission increased our rates to get wastewater to the treatment facility in Red Deer
- As the Town grows and subdivisions are added, the Town must service these new regions

An average monthly utility bill is \$167.03 (2022: \$161.49) (\$5.54 increase)*

Water Flat Rate \$40.22 (2022: \$38.67) Water Consumption \$17.80 (2022: \$17) Sewer Flat Rate \$25.81 (2022: \$24.82) **Sewer Collection \$57.20** (2022: \$55)



Solid Waste 240 L Cart \$19.50 (2022: \$19.50) Solid Waste 360 L Cart \$29 (2022: \$29) Recycling \$6.50 (2022: \$6.50) *Using 20 cu/m per month

How much more does the average resident property owner pay on their utility bill?

The 2023 increase is, on average, \$66.48, or:

- \$5.54 per month
- \$1.28 per week
- \$0.18 per day

HOW OUR UTILITY RATES COMPARE?

Water/Wastewater

2022 monthly water and sewer charges in other communities, compared to Sylvan Lake's 2023 charges.

ylvan Lake

lds \$183.23

compared to Sylvan Lake's 2023 charges.

2022 monthly solid waste in other communities,

Solid Waste (yard/kitchen waste/recycling/garbage)

Water and sewer utility costs are funded by your utility bill, not your property taxes.

- · Property taxes are not used for utility costs or projects
- · Utility fees are only used towards management, maintenance, and operation of utility-based infrastructure
- · Sometimes utility fees don't cover all utility expenses. When that happens, the Town uses grant funding, borrowing, and water/sewer development levies to make up the difference

Did you know?

Almost 30% of your property taxes fund the provincial education tax.

Even though the Town collects property taxes, not all of that money stays with the municipality.

The town's portion is roughly 70% of your property tax bill. The rest is for:

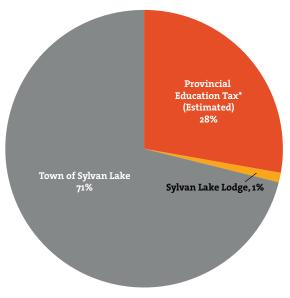
- · Alberta Education Tax*, and
- Sylvan Lake Lodge Foundation (affordable seniors housing).

Why might my education tax amount change?

- We do our best to estimate the amount in advance, but the Province decides on the Provincial Education Tax each spring
- That means the education tax portion of your property taxes might change

What is the education tax, and how is it calculated?

- The province of Alberta uses property assessment values to calculate the amount each municipality must contribute to public education (Alberta School Foundation)
- Municipalities collect the Education Tax for the province by adding it on to your property taxes
- The Town then sends the Education Tax dollars to the province
- For education tax details visit: www.sylvanlake.ca/taxes



Provincial Education Tax

*Estimated until the Government of Alberta announces the amount each spring

Tools for your property

Visit: www.sylvanlake.ca/MyProperty

- » Property tax and assessment calculator
- » My Property Map tool includes:
 - Aerial views of your property,
 - Current Land Use Zoning,
 - · Lot dimensions,
 - · Property assessment values,
 - · Year built, and
 - · Legal description.

How are my property taxes calculated?

» To calculate the municipal portion of a tax bill, the assessed property value is multiplied by the municipal tax rate assigned to that type of property.

$$= \left(\frac{\text{Assessed Value}}{1000}\right) \times \frac{\text{Municipal Residential}}{\text{Tax Rate}}$$

= Municipal Portion of Tax Bill

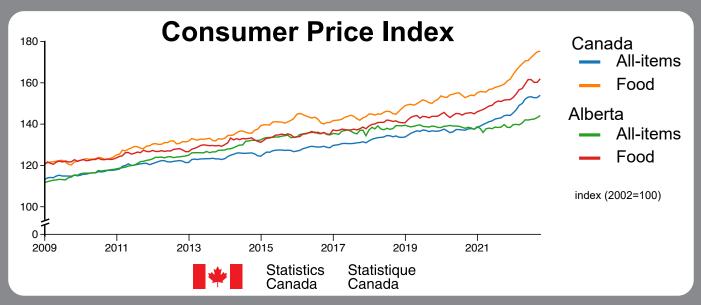
$$= \left(\frac{\$355,000}{1000}\right) \times 6.291$$

= \$2,233

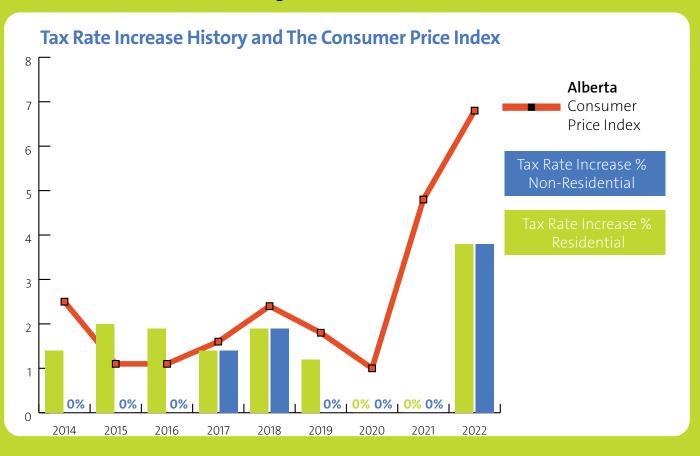


Inflation and The Cost of Living

The consumer price index measures the cost of living. Goods and supplies cost more each year. Just like our residents, the Town faces these same cost increases.



Despite these increases, since 2014, the Town of Sylvan Lake kept the average tax rate increase below the average Consumer Price Index.



Revenue & Grants

Revenue is generated through taxes, selling goods and services such as utility and waste bills, rental and licensing fees, federal and provincial government grants, reserve transfers, and debt financing.

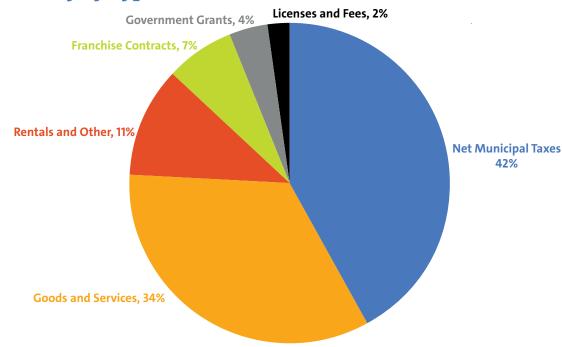
How divisions generate revenue:

- Corporate Services: municipal taxes
- **Public Works:** utility services including water, sewage, wastewater, and solid waste management
- Family and Community Support Services (FCSS) and Recreation, Culture, and Tourism: program fees and facility rentals
- Planning and Development: licenses and permits
- Parks: pay parking fees
- Protective Services: tickets and fines

The Town is receiving less funding

- » In 2020, the Government of Alberta reduced Municipal Sustainability Initiative (MSI) funding
- » They reduced MSI Capital Funding by 60%
- » MSI funding helps support major infrastructure projects like roadways or recreation and sport facilities
- » The MSI program is set to end in 2024
- » The MSI program becomes the Local Government Fiscal Framework in 2025. How its funding will work is still unknown

Revenue Summary by Type





PAY PARKING REVENUE



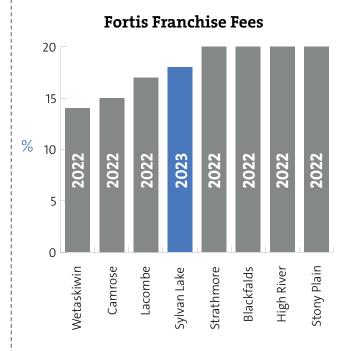


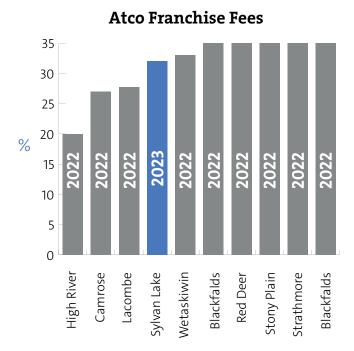
FRANCHISE FEES REVENUE

The 2023 Fortis and ATCO franchise fees are increasing.

Utility companies must pay franchise fees to sell utilities in a municipality. Utility companies then pass the fees onto customers in Sylvan Lake. The Town uses franchise fees to help cover operating and capital infrastructure costs.

How our franchise fees compare





*The Sylvan Lake 2023 rate is compared to the 2022 rates of similar communities.

2023 Capital project highlights

What are Capital projects?

Projects with long-lasting effects on the community, and often valued over \$10,000.





\$7.04 million for 2023 Parks, Playgrounds, and Trails Capital Projects, that includes \$6.7 Million for Pogadl Park



\$3.64 million for 2023 Road and Transportation Capital Projects



\$2.94 million for 2023 Sanitary Sewer and Solid Waste Capital Projects, and **\$300,000** for 2023 Storm Water Capital Projects



\$1.75 million for 2023 Water Supply and Distribution Capital Projects



2023 CAPITAL PROJECT HIGHLIGHTS

PUBLIC WORKS

Transportation

- 50 Street and Memorial Trail intersection upgrade
- 50 Avenue reconstruction (33 St to 50 St)

Environmental Services

- Sewer and water main proactive replacement program
- Lagoon reclamation

PARKS AND PROTECTIVE SERVICES

Parks

- Trail upgrades and maintenance
- · Pogadl Park

Protective Services

Fire truck replacement

RECREATION, CULTURE, TOURISM, & ECONOMIC DEVELOPMENT

Recreation

· Community centre upgrades



Operating projects

What are operating projects? Everyday projects that deliver services to residents. Operating costs include items like supplies to keep our services running, like parts to repair snow plows.

2023

Operating project highlights

PUBLIC WORKS

Transportation

• Road safety initiatives such as rapid flash beacons and new speed signs

Environmental Services

· Commercial water meter replacement

RECREATION, CULTURE, TOURISM, & ECONOMIC DEVELOPMENT

Culture

 Steps towards truth and reconciliation through National Indigenous People's Day and National Truth and Reconciliation Day

Tourism

• Economic impact assessment of tourism

Economic Development

• Plan to minimize downtown construction impact

PROTECTIVE SERVICES

 New system to provide improved service for parking tickets





Residents of Sylvan Lake are welcome, and encouraged to participate in the 2023 Budget Plan process. Final Budget approval is anticipated on March 27, 2023.

Step 1: Learn about the process

www.sylvanlake.ca/budget

Step 2: Give your feedback:

Residents are invited to give feedback on the budget. Your comments are included in the budget package when Council meets to approve the budget.

- Online Survey: Open until February 26, 2023, 11:59 PM | www.sylvanlake.ca/budget
- By Email: communications@sylvanlake.ca
- By Mail: The Town of Sylvan Lake, c/o Director of Corporate Services, 5012 48 Avenue, Sylvan Lake, AB T4S 1G6



www.sylvanlake.ca/budget

2023 BUDGET 0 3 The Town of Sylvan Lake acknowledges that we are located on Treaty 6 territory, the traditional and ancestral territory of the Cree, Dene, Blackfoot, Saulteaux, and Nakota Sioux. We acknowledge that this territory is home to the Métis Settlements and the Métis Nation of Alberta, Region 3.

We are grateful for the Traditional Knowledge Keepers and Elders who are still with us today and those who have gone before us. We make this acknowledgment as an act of reconciliation and gratitude to those whose territory we reside on or are visiting.