

What are the Priorities in Council's Strategic Plan?

A: When setting its annual budget, Lamont County Council focused on its 2030 Strategic Plan and priorities to achieve its six goals. These goals are the principles guiding Lamont County budget, projects and service levels provided:

Goal #1 ... New Businesses are Partners in Growing our Community

Goal #2 ... The Community Feels Safe and is Afforded a Good Quality of Life

Goal #3 ... Council is Driven by Accountability and Transparency to the Community

Goal #4 ... Community Assets Achieve their Maximum Useful Life and Support Growth

Goal #5 ... We are Recognized as a Leader for Sustainable Growth & Holistic Decision Making

Goal #6 ... We are Committed to Genuine Relationships

How does Council determine the budget?

A: Each year, the budget is reviewed and approved by Council based on a number of factors, such as funding available, projects needed, service demands of residents and organizational needs. This has an impact on tax rates, cost of services projected and cost recovery on pay per use fees, etc.

Highlights from the 2022 budget include:

- Increase in schedule of user fees and charges related to:
 - Private Snow Removal: Regular flag to \$125 per flag; Snow Removal for Medically Fragile to \$100 per year; and Snow Removal for Seniors to \$200 per year.
 - Increases for Assessment Sheets, Tax Certificate, ASB Equipment Cleaning, Local Assessment Review Board and Composite Assessment Review Board applications, Emergency Response.
 - Fees update: Increase in professional fees for water and dust abatement inspections.
- Tax Rate updates (\$'s/1000 of assessment):
 - Adjustment to tax rates as follows: Farm to 16.0622; Residential to 3.9905; and Non-residential to 19.5173.
- Transfer to Operating Budget from reserves to fund the current deficit (\$2,539,173).
- Adjustments to operating and capital budget were made in each department, to address efficiency and approved service levels

Here are common questions related to budget, decisions made by Council, and why projects have specific priorities or need:

What are Council's Priorities for the 2022 Budget?

A: The main priority is to balance the cost of core services and meeting the needs of residents and businesses every day. Council balances the service level needs with the cost of services and made tough decisions to ensure funding for programs and projects continue, while not running a deficit. Reserves were used to fund projects and priorities of greatest importance to the public; however, Council also needed to be responsible and ensure funding for these priorities continue year-over-year.

What principles help to guide Council's strategic planning

(Note: Council refreshed the strategic plan immediately following the election, with plans to formally review it annually ...The Plan is focused on these priorities):

A: Strategic priorities must be:

Stable, sufficient, sustainable and equitable:

- Taxes do not fluctuate greatly from year to year.
- Revenues are sufficient to support long term goals for the community.
- Investment is sufficient to sustain the desired service level indefinitely.
- Everyone pays an equitable amount for the services they receive.
- Cost recovery model is equitable.

Prudent, Flexible, Efficient and Measurable:

- Financial decisions aim to minimize risk and preserve reserves for future years.
- Financial decisions ensure future flexibility to adapt opportunities and/or changing circumstances.
- Services are provided in an efficient manner:
 - Including cost-recovery when appropriate or effective.
 - Service provided based on tax income and rates to ensure an appropriate mix between services provided and cost of service.
- Successes are measured using indicators/benchmarks.

Why would a municipal tax revenue increase be required?

A: Over the past years, Lamont County has approved minimal residential tax rate increases, and in fact approved a decrease in 2020 to minimize the financial impact to property owners. Additionally, Non-Residential rates were decreased to achieve legislated ratios between residential and non-residential rates. Unfortunately, maintaining this low property tax approach is not a feasible option to maintain service levels while responding the increasing cost of doing business and inflation. There is also a need to replenish reserve funds that the County has drawn from over the past two years to cover additional expenses incurred for service delivery. While there is a 10 per cent across the board increase to tax rates; the changes in assessment show a 3.5% decline in Linear Assessment, with a \$10M increase in Residential Assessment, offset by a \$12M decrease for commercial and non-residential. The 5:1 ratio of Non-Residential to Residential tax rates amplifies this impact on revenue.

Why do the user fees and charges need to be reviewed?

A: Council reviews user fees and charges on a regular basis to ensure these are competitive, adequately recover cost and are fair. Regularly reviewing and adjusting fees means that we are not seeing large changes to keep up with cost increases and community change. When increases in costs to programs are not charged to the users that directly benefits, these costs are transferred to the tax base as a subsidy.

Why are user fees/rates going up?

A: Lamont County Council has focused on cost recovery and to have better alignment with other municipalities (charging a fair price for services received). Cost Recovery from user fees and taxes ensures more funding directly for programs and services and less from reserves.

Why are there new (and increased) fees for services provided?

A: Using a cost-recovery approach, Council has looked at areas where services benefit all rate payers vs. Where they benefit individual service users as well as where services are adequately funded and where they are underfunded. Council made adjustments to ensure user fees are in line with other municipalities and took action where major subsidies needed to be addressed. For example, many municipalities do not offer snow clearing for private driveways, even for seniors and medically fragile ratepayers — Lamont County has committed to continuing this service.

What about oil and gas companies owing back taxes?

A: Lamont County is working with the Government of Alberta to address outstanding funding from companies, including oil and gas companies, to ensure default accounts and unpaid taxes are collected. These will be added to the appropriate general accounts and reserves once received. We expect with the updated legislation, that back taxes and weed maintenance requirements will be adhered to and collected appropriately.

We have seen investment in the County, won't the increased economic development cover these costs?

A: Generally, it takes multiple years to see the impact of new developments (including construction time and business start-up). Council still needs to be prudent and plan for the current state and not just the promises of the future.

How does this affect the County?

A: Recovery from user fees and taxes ensures programs are funded directly and less from reserves. The last few years have presented some very difficult challenges for municipalities, including COVID, local disasters and significant changes to legislation. Council did its best to minimize its budget's impact on taxes. This included pausing some programs, some service reductions, and improving cost-recovery based more on pay per use. Council is focused both on fiscal responsibility and planning for the future, and this resulted in the tax increase required to maintain current service and to fund improved levels of service demanded by residents.

How are you dealing with the financial impacts of COVID on the budget?

A: COVID has had a significant impact on our revenue sources and has also resulted in increased costs for things like personal protective equipment (PPE) and enhanced cleaning. Lamont County respects the value of its residents' and industry tax dollars and the financial challenges faced by many, and has worked hard to keep the property tax levy low; looking at other ways to manage the financial impacts of COVID-19 on the budget. This includes managing the impacts of COVID through management of its expenditures, using support from other orders of government, and drawing funds from reserves - including those that are used to fund the capital program.

What if I have more questions?

A: Please send us an email at info@lamontcounty.ca.