



News Release

May 15, 2020

Ponoka Town Council Approves Zero Per Cent Municipal Property Tax Increase for 2020 Capital and Operating Budgets

(May 15, 2020 – Ponoka, Alberta) – Ponoka Town Council followed through on its commitment to deliver a zero per cent municipal property tax increase as it approved the Town’s 2020 Capital and Operating Budgets at its regular meeting this week. The total amount of the 2020 Budget is \$25,210,660, which includes an Operating Budget of \$18,366,060 and a Capital Budget of \$6,844,600.

The Interim 2020 Budget that Council approved last December included a 2.7 per cent property tax increase. However, due to the economic impact of COVID-19 combined with a collapse of oil prices, Council asked Town Administration last month to find efficiencies and come back with a zero tax increase in the municipal portion of property taxes this year. Consequently, the 2020 Budget includes no change to the mill rate from 2019.

Much Needed Tax Relief

“Council is very pleased that Town Administration was able to deliver a zero per cent tax increase in the midst of a pandemic and a depressed economy,” said Ponoka Mayor Rick Bonnett. “We know that a number of our citizens and businesses are hurting due to this COVID-19 pandemic. The zero per cent property tax increase will provide citizens with some much needed tax relief. It’s a major component of the property tax and utility payment relief initiatives that Council asked Administration to provide to our citizens this year to help them through these difficult times,” said Mayor Bonnett.

New commercial and residential growth of \$11.5 million in Ponoka helped to achieve the zero per cent municipal property tax increase. That new growth was offset by a \$7.5-million decrease in the market (deflation), resulting in an overall increase of \$3.7 million in taxable assessment for the Town of Ponoka.

Changes to the Interim Budget that were approved by Council in the final Budget this week include:

- A net decrease in salaries of \$416,210 due partly to the temporary closure of Town recreation facilities and not filling staff vacancies for non-essential positions during the COVID-19 pandemic;
- Further efficiencies and cost reductions of \$155,820 that were identified due to COVID-19. These were transferred into an Operating Contingency reserve;
- An estimated \$113,750 loss of recreation revenue due to COVID-19;
- \$27,000 in new funding for an Economic Recovery Strategy to help the local economy rebound and recover from the COVID-19 pandemic;
- A new Recreation Facilities reserve funded by annual matching contributions from the Town and Ponoka County in accordance with the funding formula outlined in the Shared Recreation Services Funding Agreement signed earlier this year; and
- A \$14,000 increase in grant funding through the provincial Municipal Sustainability Initiative (MSI).



Investing in Infrastructure

The vast majority of capital and infrastructure projects budgeted for 2020 are once again funded through provincial and federal grant funding. Capital infrastructure projects planned for 2020 include:

- Paving 52 Avenue (between 50 St. & 51 St.) following the replacement of underground and surface infrastructure on that street in 2019;
- Continuation of a three-year project investing in roads and storm drainage improvements to roadways in the southwest industrial park;
- Funding to begin the engineering design process to replace underground and roadway infrastructure on 52 Avenue between 51 St. and 54 St.;
- Annual paving and concrete improvements on Town roadways, including crack sealing to extend the life of existing roadways throughout the community;
- Maintenance and improvements at the Town's Wastewater Treatment Facility;
- Sanitary trunk line maintenance;
- Maintenance and improvements to the Ponoka Aquaplex, including resurfacing and other improvements to the hot tub;
- Maintenance and improvements to the Arena, including ice header replacement for the curling rink and large ice surface; and
- Construction of new park improvement designs at the Old Hospital Rotary Park (near the Ponoka Civic Centre at 51 St. & 57 Ave.) and Central Park (at 52 St. & 54 Ave.).

Public Consultation Results Align with Budget Decisions

The Town once again consulted with residents on the 2020 Budget with a series of public open houses and a statistically representative Citizen Satisfaction Survey last fall. "Council gave the public input and survey results careful consideration during our budget deliberations," said Mayor Bonnett. He noted that economic development; recreation; and road and sidewalk maintenance were identified by citizens in the Citizen Satisfaction Survey as the top three priorities for investment in Town Services.

"Investing in infrastructure such as roads and sidewalks and recreation facilities are a clear priority in the 2020 Budget. Economic development also continues to be a top priority for Council," said Mayor Bonnett.

"As our local businesses begin to reopen after two months of shutting their doors due to this pandemic, Town Administration is working hard on an Economic Recovery Strategy to help our local economy rebound and recover from the challenges we're currently facing."

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