



Tax increase

Merchants in Turner Valley to pay more.

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Music maker

Johnny Cash tribute off to Black Diamond.

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Falcons girls defeat HTA to get to rugby finals.

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OKOTOKS Western Wheel

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BRENT CALVER/OWW

KEEPING TRADITIONS ALIVE – Members of the Frula Serbian folk dance troupe perform at Serbian Fest May 21.

MD tax increase kept to minimum

By Krista Conrad

Staff Reporter

Foothills MD residents will pay a little more in taxes this year.

The MD of Foothills' goal for its 2017 budget was to hold the line on tax rates, however, provincial education taxes and a drop in revenue from oil and gas taxes led to a 1.9 per cent increase for residential taxpayers.

Non-residential rates will increase 3.2 per cent, farm rates went up 1.9 per cent, and machinery and equipment taxes will decrease by 1.98 per cent.

"The machinery and equipment mill rate has to be the same as the non-residential minus the school,

so we don't really have any flexibility there," said Bill Robinson, MD budget and finance officer. "It's set to whatever the non-residential is except for the school tax."

The provincial education tax requisition for the MD came in at \$20,341,000 last month, he said. The 2.1 per cent increase over the 2016 requisition posed a bit of a challenge for the MD, he added.

The bigger problem, said Robertson, has been a loss of tax revenue on local oil and gas properties owned by energy firm Lexin Resources. In 2015 and 2016, the loss amounted to \$4.1 million combined.

Lexin was ordered by the Alberta Energy Regulator to shut

down operations in mid-February. The company had not issued well payments to residents with surface rights for more than a year, and was in arrears with the MD of Foothills for the past two years.

However, the properties were still assessed and the provincial amounts were still owed for the past two years, he said.

"They're not assessed anymore so there won't be anymore taxes, but we still lose that revenue," said Robinson. "So it was a drop in revenue just from that, from those taxes, of about \$1.6 million, so we had to make that up in other areas."

It required significant cuts to

the capital budget. Though service levels will be maintained through 2017, the budget is tight and spending being kept at a minimum, he said.

Most of the impact is on equipment replacement and construction, he said. Road crews won't be building this year, but will be doing reclamation in gravel pits and other work instead, he said. There were also no cost of living increases for staff, and new hiring has been cut from the budget.

"I think we managed to move things around and take some things out and keep up our service levels," said Robinson. "Our supervisors and crews will have to watch their budgets this year

to make sure we don't go over. They're a little tight, but hopefully the weather co-operates."

MD Mayor Larry Spilak said he's pleased with how the 2017 budget turned out. Though he was disappointed that circumstances made a zero per cent increase impossible, his goal was to stay under two per cent.

"It's a tough year for many Albertans, and if there is a year where the MD can help some of those people out, this would be it," said Spilak. "There are many people within the MD who have lost good jobs in the oil and gas sector and other industries as well, and we have to be cognizant of that and try to help wherever possible."

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