

MEDIA RELEASE

FOR IMMEDIATE RELEASE

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Town Determining Impact of Province's Budget 2017

Like many municipalities across the province, the Town of Kindersley is still measuring the impact of the Government of Saskatchewan's 2017 Budget. While there is a lot we still do not know from the Budget, what we do know is that it is not municipal friendly.

This is what has been determined so far:

- Kindersley will experience a significant decrease in provincial grant funding, which will greatly reduce the amount of anticipated revenue for the Town.
- Kindersley's portion of revenue sharing will be \$974,431 from the Province for 2017-18; down from \$1,075,395 in 2016-17.
- The 1% increase to the Provincial Sales Tax (PST), which also applies to local government programs and projects will unfortunately increase costs for the municipality and, therefore, also to the taxpayer.
- The Province's elimination of payments in lieu from SaskEnergy will result in \$93,480 less revenue for the Town of Kindersley.
 - **What are payments in lieu?**
Instead of traditional property taxes, SaskEnergy previously collected fees that were then given to more than 100 communities across Saskatchewan as payments in lieu of property taxes.
- The combined loss of payments in lieu and the decrease in revenue sharing means that the Town of Kindersley will expect to receive almost 20% less funding in 2017.
- Fortunately, the Town of Kindersley's priority to create and maintain reserves for major capital projects will assist us to continue moving forward as Town officials determine the full impact of the cuts to revenue sharing.

Some things that have yet to be determined:

- The PST increased 1% but it now applies to a broader range of goods and services, including construction. We are seeking more detail about what the PST now applies to in order to know what Kindersley's 2017 expenditures will be.

Kindersley's assessment roll was completed last week and is now open for the public. Overall, Kindersley property assessments rose substantially and the municipality's overall value increased by 65 percent. As a result, the municipal mill rate will drop accordingly, which may or may not increase taxes.

Regarding school taxes, the provincial government has already set school mill rates for 2017. When combined with the higher assessment values, school taxes will increase dramatically - some by 30-60 percent.

Council is expected to approved Kindersley's 2017 budget within the next month.

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For more information, contact Wayne Gibson, Manager of Communications, at 306-463-2675 or communications@kindersley.ca.