



**City of
Prince Albert**

Corporate Communication
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News Release

FOR IMMEDIATE RELEASE

Wednesday, January 13, 2010

Mayor Scarrow and Robert Cotterill meet with MP, Randy Hoback; MLA Darryl Hickie

Challenges and Opportunities; revenue and shortfalls discussed

Today, Mayor Jim Scarrow and City Manager Robert Cotterill met with Darryl Hickie, MLA Prince Albert-Carlton and Randy Hoback, MP Prince Albert to discuss the economic challenges facing our city, our province and our country.

“We may have some challenges in the short term, but we have plans to try and replace potential losses through economic development over the longer term,” states Mayor Scarrow. “We are hopeful that the Municipal Operating Grant or Provincial Revenue Sharing will be at 90% of the 2008 Provincial Sales Tax (PST) as requested by SUMA and the City Mayors. This would still be less than our budgeted amount. Recently, our Prime Minister has stated that although there are early signs of recovery from the recession, the recovery is still fragile¹. Consequently, we anticipate that infrastructure funding won’t be the same as it was last year, though it has been of great benefit for Prince Albert in helping us with the West Hill project, wastewater treatment and water treatment projects, and funding for the Green Energy Park.”

“It will be a challenge to replace whatever we may lose from our anticipated municipal revenues from less industry in our region, lower than anticipated PST payment from the province, and any other issues that may arise. With Domtar planning to dismantle its site that will change our tax revenue from them. Currently the city’s portion of the Domtar tax revenue is \$1.8 million for that company alone,” adds Robert Cotterill, City Manager.

“Council is embarking on the early stages of the 2010 budget planning and there will be challenges, but we are working with your provincial and federal government representatives to minimize the impact on our city and our residents,” adds Scarrow.

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¹ Government of Canada News Release, December 30, 2009