



**City of
Prince Albert**

Corporate Communication
Services

www.citypa.ca

News Release

Monday, April 19, 2010

2010 Budget Approved by Council

4.3% Tax Increase to City Residents

City Council has passed the 2010 General Fund Capital and Operating Budgets for the City of Prince Albert. The combined value of the two budgets represent \$49.9 million in spending, requiring an additional \$1.5 million in revenue over the 2009 spending level.

Although the City is able to generate revenues of approximately \$28 million from programs not related to taxation, it does mean that the remaining \$21.9 million needs to be generated from the General Municipal tax. To generate \$21.9 million from the General Municipal tax, the tax must bring in \$1.5 million – or 7.35% - more than the 2009 levels.

The average residential property will experience a tax increase of approximately \$100. The \$100 increase however only represents an increase of 4.3% on the total tax bill because the Province has announced that the Education portion of the property tax bill will remain unchanged from the 2009 rates.

There were some significant cost and revenue pressures to deal with in preparing the 2010 budget, including negotiated salary increases, the absence of an increase in the Provincial Revenue Sharing grant, and the anticipation that Domtar will begin demolition of its pulp mill.

The tax increase would have been higher had the City not decided that it could defer spending in a number of capital project areas for 2010. This decision could only be made based on the number of projects that were previously approved and are currently underway, as well as the Province's commitment to restore the Revenue Sharing Grant formula for 2011.

-30-

For more information about the 2010 Budget, go to www.citypa.ca or contact:

Joe Day

Director of Finance

Phone: (306) 953-4350