



TOWN OF MUNDARE

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Message from Council

After waiting to get exact numbers from our provincial grantors, we have finalized the 2014 Budget for the Town of Mundare. Requisitions for Senior's housing and for Education are set for us and will appear as increases in your tax notice.

With the escalating costs of gasoline and related fuels, plus the cost of electricity alone (\$109,000 for last year) it soon becomes obvious that rising costs must be met in order to operate. Two options are tax increases or reduction of planned projects such as street repairs.

As a council, we chose to defer some projects so that the amount of residential taxes collected for municipal services are the same as last year. (Some residences will still tax increases based on assessment of their property values and School taxes (ASFF) and Lamont County Seniors Foundation. However, the residential municipal mill rate, which is what we control, has been decreased slightly so for the most part, most ratepayers will see little change in costs.)

Please compare the municipal, school and seniors requisition to last year amount to see where the changes, if any, came from.

However, this does involve consequences. Certain fixed costs will go up again next year as they did this year, and the cost of repairs will also go up. It is obvious that tax pain is a **fact** in our future.

Currently, we struggle with collapsing sewers installed in 1953 and in 1979. Clay pipe that was used back then eventually fails and must be fixed properly. We will live with no asphalt in those repaired areas until we are satisfied that further roadbed disturbances are unlikely.

Garbage rates and water rates did increase, but only to cover the actual costs, so those services were not being subsidized by property tax revenues.

Thank you to all that were patient in awaiting this announcement. (Always check for similar notices posted on the town website.)

Charles Gargus
Mayor

2014 Budget

The amount of taxes that need to be collected is determined by the difference between revenues received through operations and the operating expenses.

The Mill Rate and the Assessed Value of a given property are the two components of the formula that is used to determine a property's taxes. Taxes are calculated by multiplying the assessment by the mill rate.

A mill is the amount of taxes collected on every \$1,000 in assessment. If you had a mill rate of 1 and your assessment was \$1,000.00 your taxes would be \$1 $((1,000 \times 1)/1,000)$. There are different municipal mill rates for residential properties and non-residential properties. The town adjusts the amount of taxes collected by raising or lowering the mill rate.

The other half of the equation is the assessed value of the property. The Town contracts an independent company that specializes in the field of assessment to assess properties for two reasons. One is that they have the experience and the expertise to do the job well. The other is for the sake of impartiality.

Assessors regularly monitor the selling prices of properties to establish the market values of houses. They then return assessments based on the average selling price for each particular type of home based on age, size, amenities etc. The assessor has to follow provincial regulations to determine assessment values.

Your assessed value plays a large part in determining your taxes. REMEMBER
 $(\frac{\text{mill rate} \times \text{assessed value}}{1000}) = \text{taxes}$.

Mill Rate

The live (taxable assessment) for the town is 95,548,300. 1 mill raises 95,548 in revenue.

The town is collecting approximately the same amount of residential taxes as in 2013. The 2014 municipal mill rate has been set at 7.96 for residential and 13.50 for non residential-2013 mill rates-8.40 and 12.515 respectively. Depending on the change, if any, in the assessment of your property, you might see an increase or decrease in your municipal taxes.

The requisition mill rates have also changed (we have no authority over setting these rates)

-school-requisition increased from \$218,546 to \$249,714 (\$31,258)-mill rate residential 2.5103
non residential 3.77.64

-seniors-requisition increase from \$34,927 to \$37,630 (\$2,703)-mill rate-all properties-0.396

The Town also has a minimum municipal tax-if the calculation of your municipal taxes is less than the minimum, you will be charged the minimum municipal tax plus any school taxes. In 2014, the minimum taxes are -Residential- \$700 for serviced properties and \$500 for non serviced, Non-residential \$800 for serviced and \$600 for non serviced.

Please note that an increase (if any) in taxes from 2013 may not be all because of municipal purposes. Please compare your 2014 tax notice with your 2013 tax notice to determine the amount of tax increases in municipal taxes, school taxes and seniors taxes.*