

## Drayton Valley's 2020 Budget brings further financial relief and infrastructure projects for local businesses

May 6, 2020

FOR IMMEDIATE RELEASE: Drayton Valley's 2020 Budget was approved during the Regular Meeting of Council on May 6, 2020. Town Council developed a prioritized plan that focuses on two important factors, holding property taxes at 0% and a strategy that gets Drayton Valley back to work. The Town has budgeted for additional projects that give local contractors and service providers the opportunity to undertake a large percentage of projects using local labour and sub-contractors.

As the community continues to feel the effects of ongoing economic challenges, further exacerbated by COVID-19, Town Council has collectively decided to hold municipal taxation at 0% for 2020 with the option for property owners to defer payment until September 30, 2020. Taxation will reflect 2019 figures which included a 10% municipal tax relief to property owners. As an incentive for residents or businesses who are in a position to pay their taxes by June 30, 2020, an early payment discount of 5% will be applied to the municipal portion of their tax bill. As mandated by the province, the collection of the Education Property Tax portion on non-residential property bills will be deferred to September 30, 2020. As an added measure of relief, taxes can now be paid in 11-month installments. Property owners are encouraged to call the Town Office to make payment arrangements should they choose. In order for the Town to invest in the community and provide additional infrastructure projects that get Drayton Valley back to work, a certain amount of cash flow is required to ensure that projects can proceed, and critical and essential services are delivered to residents. Property owners who are in a position to pay their taxes are encouraged to do so by June 30, 2020 and take advantage of the 5% early payment discount. This will allow the Town to manage cash flow and to ensure that funding to "Get Drayton Valley Back to Work" is available.

In April 2020, the Town put a call out to local business owners requesting a list of equipment, and available resources with the intent to tailor projects utilizing local supplies, assets and expertise. This season, the number of summer students was increased to provide additional jobs in the community and will assist with much needed cleanup activities in the Town. By investing an additional \$2 million from municipal reserves to fund operational and capital projects that "Get Drayton Valley Back to Work", businesses and those who remain working are encouraged to support the local community as much as possible. While restaurants and retailers continue to operate under a 'new normal', businesses and the public are strongly encouraged to shop local to ensure that everyone can benefit from Town Council's economic stimulus initiative. Following the approval of the Interim Budget in December 2019, capital projects were selected and put out for tender in January of 2020 to ensure competitive bidding and pricing. Since that time, mandated restrictions by the Province and the Government of Canada and continued economic uncertainties prompted Town Council to approach capital planning in a manner that puts emphasis on the procurement of local resources for additional capital projects.

The Province announced an additional \$1.9 billion dollars in stimulus spending for infrastructure projects as part of its Relaunch Strategy. At the direction of Town Council, Administration has prepared and submitted a list of 'shovel ready projects' in the hopes of receiving additional funding to undertake infrastructure activities in Drayton Valley. Town Council has selected maintenance and renewal projects that can be completed during the 2020 construction season including road and underground infrastructure repairs and playground and park revitalization.

Investing in key economic initiatives remains a top priority for Town Council with an emphasis on projects and opportunities that give Drayton Valley an economic advantage. Prior to the COVID-19 pandemic, Town Council and Administration were methodically seeking out and pursuing opportunities that diversify the local economy with the aim of insulating the Town against significant market fluctuations resulting in a more stable and resilient local economy. These opportunities and initiatives to date include, but are not limited to, the development of incentive packages that will attract local and foreign investment and industry to Drayton Valley and initiatives in education that allow for the reskilling and development of the local workforce and will attract local, regional and international students to the community. Growing and improving the local economy remains at the forefront of Town Council's objectives for 2020. Encouraging developments that diversify the economy, generate jobs and attract investment will help Drayton Valley to be more resilient for any future economic changes. Town Council continues to advocate for the advancement of projects at the provincial and federal levels that support the energy sector and facilitate the growth and expansion of the nation's largest revenue source.

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Effective March 24, 2020, Town Council implemented financial relief measures including a 90-day deferral on utility bills including a waiver of interest fees for 6 months on deferred payments. Additionally, local businesses will receive a \$100 refund on annual business license fees for 2020. These processes have been put in place to support the community and alleviate the burden placed on residents and the business community who have been affected by COVID-19. Going forward, Town Council will closely monitor the impact the pandemic has on the community and will extend or introduce further relief measures as necessary. Utility credits for recycling fees have also been issued in response to the temporary suspension of curbside recycling collection due to the pandemic.

Following the completion of the Validation Report in early 2020, Town Council has established a firm commitment to the construction of a new Aquatic Facility by committing \$5 million to the project, as well as the active pursuit of grant funding through the Investing in Canada Infrastructure Program (ICIP) in the amount of approximately \$7.5 million. Brazeau County Council passed a motion to contribute \$5 million dollars to help fund the project. The Validation Report details the facility's concept options, architect design narratives and mechanical and interior design, as well as certainties surrounding metrics and anticipated expenditures. Undertaking capital projects of this nature enhances the quality of life for residents and is an important investment in the community. Town Council has estimated that the proposed construction of the aquatic facility could proceed in 2020, based on the timing and receipt of grant funding.

Being mindful of the challenges facing the community, several operational and efficiency measures are being implemented with a 'do more with less' approach. Modern business solutions have been implemented that enhance and improve the level of customer service and experience as continued efforts are made to expand and update methodologies that provide options and greater flexibility for residents and businesses. Following the temporary closure of the Civic Centre, Omniplex, Total Works Health & Fitness Centre, the MacKenzie Conference Centre, Park Valley Pool and the Early Childhood Development Centre to the public, the Town has temporarily laid off 51% of its total staffing compliment.

*"Getting Drayton Valley back to work and investing in our businesses and residents is critical during these challenging times" commented Mayor Michael Doerksen. Planning and strategizing infrastructure and community development projects not only supports our local workforce but ensures that money continues to flow in the community. Creating opportunities for contractors will lead to money being spent in local stores, shops and restaurants that continue to operate. "We understand that our residents and business owners have been hit hard, not only by a struggling economy but by the resulting restrictions from COVID-19. To further ease these hardships, Town Council has implemented a number of financial measures to provide flexibility and options for property owners including a 90 day utility bill deferral, , refunds on annual business license fees and property tax payment plans. Credits have also been applied to utility bills for recycling collection while services have been suspended. Lastly, taxes will not be increased for 2020 and, as an incentive, an early payment discount of five percent will be offered for those who can pay their taxes in full by June 30, 2020. While we understand that many of our residents and businesses are in a very precarious position, municipalities rely on tax dollars and limited reserve funding to operate and provide essential services. By not increasing taxes and offering discounts and deferral restricts the Town's ability to finance capital projects or continue operations long-term. While the Town is in a comfortable financial position at this time to offer those reliefs while still maintaining its cash flow obligations, long term viability of our community relies on timely fee collection at a rate that balances fiscal responsibility with future growth. Having an imbalance causes negative repercussions on both sides, either causing over taxation on our businesses or residence, or short term and long term funding gaps that can lead to high debt levels and in extreme cases, dissolution of a town, as seen in Grande Cache. We are doing what we can to create work for our local businesses and their employees, what we're asking from the community is to keep supporting local and where possible, to keep paying their utility bills and to pay their taxes or pay what they can, when they can. In the end we are all helping one another and truly pulling together.*

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