

## Message from the Reeve and Council

We are writing this message to inform you of developments currently taking place in the County that will have a profound impact on our ability to provide services in the future that our residents have come to expect. As has been reported in the national media last week Trident Exploration ceased operations. In years past this may not have been the problem it is now however due to the number of business acquisitions Trident made over the last two years they are currently by far the biggest tax payer in Starland County.

Up until recently we have been in negotiations with Trident on a tax payment plan that looked promising however without notice we have recently been informed, along with many others, that Trident would not be meeting any more of their obligations. This is a major problem for a number of reasons and will require a number of changes to the way we do business going forward. While our tax base has shrunk significantly over the last few years due to the recession and we have tried to hold the line on increasing our municipal rate this one company now represents approximately 25% of our municipal tax base. Approximately three million dollars.

This kind of drop along with the 15% drop we have seen over the last few years is going to require a tax increase, it is now unavoidable. In addition a large part of this revenue drop is part of a requisition paid to the Alberta School Foundation which we have already paid and will have to pay again this year. This is money we have to pay using revenues that no longer exist. This is on top of the many projects and services we had previously committed to. Despite this we are planning on meeting over 50% this deficit through expenditure reductions which will have to be worked at over the next few years.

One project we should comment on as we know it will be a topic in the community is the new Public Works Shop/Administration Office that is slated to be built over the next year. We would like to make it clear that this project is being nearly 100% funded through project specific grant funds that have been saved over the last 10 years and insurance money related to the building fire. This money cannot be repurposed into general revenues and thus cannot be used to cushion the hit to our revenues this year.

Unfortunately the only way forward is to make our operations sustainable on a go forward basis from both a revenue and expenditure standpoint. It will be an interesting few years as we grapple with the largest drop in our tax base ever recorded. For our Council and staff increasing taxes is always a last resort and we thank all of our ratepayers for helping to ensure that our County is still a great place to do business and call home.

If you have any questions or concerns please contact your local Councillor. Names and numbers can be found on [Starlandcounty.com](http://Starlandcounty.com).

Thank you,

Steven Wannstrom, Reeve of Starland County