To Mr. Steve King,

Thank you for submitting the questions – at time of writing, Questions #1 and #3 have been addressed. This response addresses Question #2, with a copy being provided for ease of reference and located below the signature section.

The Finance team identified and implemented an improvement to budgeting practices in the Fall of 2017, related to including the budgeting of Supplemental Taxes. In prior years, management had chosen to not include Supplemental Property Tax Revenue in the budget process, while approving annual bylaw regarding Supplemental Property Taxes.

To provided clarification, that was a decision of the management team during those periods of time. This also means that this was not an accounting error or related to accounting.

Through the Municipal Government Act (MGA) section 352(1) states that response to returning money paid to a municipality must be made within 6 months from time of payment. The purpose of having this clause in the MGA is to provide financial certainty since the Municipality must ensure that financial shortfalls are budgeted. Please see MGA sections 244(1) and 244(2).

In common language, this would mean that the City could refund all of these dollars. This would cause a financial shortfall to the City, that would need to be budgeted. One of the main reasons budget is important, is the budget figure for property tax revenue is the number that is used in the Property Tax Rate Bylaw. This would mean that Property Taxes would need to go up to support the refund of Property Taxes.

For further clarity, no action, suit or other proceedings have been or were initiated within the respective 6 month periods, over these historical years.

Another area of consideration is about equitable to do so, please see MGA section 347(1).

In common language, if the Council considered it fair to everyone. When considering who was the taxpayer in prior years versus who is the taxpayer today. These are too different groups of people when considering population in 2005 was 7,904 and today we are nearly 21,000. It is appreciated that a smaller percentage of the population would be the same throughout all of those years.

For the statement about “proposing to credit just one year”. This was a budgeting error that occurred regarding the 2019 year, a resident complaint for a different property tax topic was received within the 6 month period, the research was conducted and this budgeting error was identified. It was presented to Council and immediately corrected in February 2020 by way of applying credits to the owners of tax roll. This was considered to be fair and equitable, given there would have been a large percentage of the same owners over this narrower period of time.

To address the delay in the response. This response will be provided in the Consent Agenda, which is a section on the Council Agenda for each Council Meeting. Council Meetings have occurred July 21st, July 28th and the next one is...
September 1st. For additional clarification, the response would have needed to be provided by July 23rd to meet the July 28th deadline for Council Agenda.

Please accept my apologies if the delay in the response caused any undue hardships.

Hopefully this addresses your concerns, but if by chance it does not, please advise.

Thank you,

Brenda Hewko, MBA, CPA, CMA
Chief Financial Officer
City of Chestermere
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**COVID-19 Notice: In order to protect the health of our community, staff and working environments, City buildings are now open to the public by appointment only. Please contact us by calling 403-207-7050 or emailing info@chestermere.ca. Check our website for updates at www.chestermere.ca/covid19 and please continue to practice robust hygiene measures.**

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Sent: July 21, 2020 3:14 PM
To: Jillian Duraj <jduraj@chestermere.ca>
Subject: Questions for the Council tonight (July 21)

Hello Jillian,

I have questions for the Council tonight:

1. How much additional cost has the City of Chestermere had to incur through the end of June as a result of the COVID-19 pandemic? A breakdown by type of expense please.

2. It was determined a number of months ago that residents of Chestermere had been overcharged on their property tax for the past 10-15 years due to an accounting error. The last I heard was that the City was proposing to credit the residents for just one year. Why does the City not feel that residents are entitled to have ALL overcharges paid back?

3. 5 years ago residents of Chestermere were asked for their input on the subject of a dog park in Chestermere. Input was given but still no dog park, just a multi-use park. When can the residents expect to have a park dedicated for the use of dogs with appropriate fencing?

Regards

Steve King