Council
May 10, 2021

2019 FINANCIAL INDICATOR REPORT

Issue
The 2019 Financial Indicator Report based on Alberta Municipal Affairs data is provided to Council for information.

Motion Proposed by Administration
That the 2019 Financial Indicator report be received as information, as recommended by the Finance and Audit Committee.

Report, Analysis and Financial Implications
The Annual Financial Indicator Graphs are no longer being prepared by Alberta Municipal Affairs.

The new process is to have municipalities create their own reports using data tables provided by the government based on the information submitted by municipalities annually, as required under the *Municipal Government Act* through the Financial Information Return (FIR) and Statistical Information Return (SIR), as well as data collected from other public sources.

Many of the same comparative measures have been used as were in the past, along with using the same group of 18 municipalities for the Financial Indicator Graphs ranging in population from 14,451 to 101,482 using data collected from 2014 to 2019 inclusive

The comparative measures included in the Financial Indicator Graphs are useful in assessing financial health, past performance, benchmarking, and establishing organizational goals.

<u>Municipal Taxation</u>
The Financial Indicator report, confirms that Okotoks continues to trend below the group median net municipal equalized property tax rates for the last 6 years. In 2019 the difference between Okotoks and the group median for equalized residential rates was 3.1% lower than the group median and for equalized non-residential rates was lower by 4.8%.

<u>Expenses</u>
The Town's Major Expenditures per Capita by Type (Salaries, Wages and Benefits; Contracted and General Services; Materials, Goods, Supplies and Utilities; Interest and Banking; and Amortization of Tangible Capital Assets) are lower in the majority of expenditures than the group median (see pages 15-19 of the attachment). Salaries, Wages and Benefits continue to trend below the group median for the last six years and are 16.7% lower in 2019. (See page 15 of the attachment).

The Town continues to trend lower than the median on Major Expenditures per capita on Amortization of Tangible Capital Assets and are lower by 25.2% in 2019 (see page 19 of the attachment).

In summary, the Financial Indicator Graphs once again show the Town has a low cost of service, which allows the Town to maintain a low tax environment. In comparison to other municipalities, Okotoks continues to be cost competitive in terms of service provision and remains below the group median on taxation.

The Finance and Audit Committee reviewed this item at the May 5, 2021 Meeting and recommend approval of the 2019 Financial Indicator Report.

Strategic Plan Goals

☐	Manage Community Growth	☐	Provide Strong Governance
☐	Provide Quality Community Infrastructure	☐	Healthy and Safe Community
☐	Enhance Organizational Excellence	☒	Foster Economic Vitality
		☐	Promote Environmental Excellence

Governing Policies/Bylaws/Legislation or Agreements
n/a

Public Participation Strategy
n/a

Alternatives for Consideration
n/a

CAO Comments
Understanding organizational performance requires comparisons to other similar entities to ensure value for money is being provided to residents. These financial indicator graphs highlight the excellent financial position of the Town and how well the Town compares from a fiscal perspective to other municipalities.

Attachment(s)
1. 2019 Financial Indicator report

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