



BEAVER COUNTY

# 2015 BUDGET

April 15, 2015

# 2015 Municipal Budget

| Department                  | 2015 Budget       | Operating Revenue | Transfer From Reserve | Grants & Other Rev | 2015 Tax Levy     | 2014 Budget       | 2014 Tax Levy     | Budget 2015 - 2014 | Tax Levy 2015 - 2014 |
|-----------------------------|-------------------|-------------------|-----------------------|--------------------|-------------------|-------------------|-------------------|--------------------|----------------------|
| Council                     | 292,003           |                   |                       |                    | 292,003           | 318,695           | 318,695           | (26,692)           | (26,692)             |
| Administration              | 3,033,935         | 274,525           | 81,200                | 639,784            | 2,038,426         | 2,735,675         | 1,848,785         | 298,260            | 189,641              |
| Community Peace Officer     | 309,445           | 26,000            |                       |                    | 283,445           | 300,852           | 250,852           | 8,593              | 32,593               |
| Fire Protection             | 652,760           |                   |                       | 20,000             | 632,760           | 693,949           | 693,949           | (41,189)           | (61,189)             |
| Animal Control              | 11,250            |                   |                       |                    | 11,250            | 11,850            | 11,350            | (600)              | (100)                |
| Public Works                | 12,587,026        | 721,995           | 1,174,608             | 2,776,625          | 7,913,798         | 12,578,763        | 7,132,217         | 8,263              | 781,581              |
| Water, Sewer, Garbage       | 818,694           | 97,900            | 497,475               | 187,500            | 35,819            | 1,259,467         | 59,167            | (440,773)          | (23,348)             |
| FCSS                        | 138,450           |                   |                       |                    | 138,450           | 143,633           | 136,500           | (5,183)            | 1,950                |
| CALC                        | 145,200           | 21,700            |                       | 123,500            | 0                 | 151,335           | 0                 | (6,135)            | 0                    |
| Planning & Industrial Parks | 554,100           | 411,305           | 60,000                |                    | 82,795            | 406,429           | 126,279           | 147,671            | (43,484)             |
| Agriculture                 | 1,460,599         | 21,000            | 277,000               | 188,000            | 974,599           | 1,330,416         | 953,380           | 130,183            | 21,219               |
| Recreation & Parks          | 504,750           | 20,000            | 7,600                 | 12,000             | 465,150           | 417,154           | 402,154           | 87,596             | 62,996               |
| Culture                     | 233,705           |                   |                       | 35,000             | 198,705           | 205,453           | 205,453           | 28,252             | (6,748)              |
| <b>Total</b>                | <b>20,741,917</b> | <b>1,594,425</b>  | <b>2,097,883</b>      | <b>3,982,409</b>   | <b>13,067,200</b> | <b>20,553,671</b> | <b>12,138,781</b> | <b>188,246</b>     | <b>928,419</b>       |

# Highlights of 2015 Budget

- ▶ MSI Operating grant was maintained at 2014 funding level (\$218,250).
- ▶ MSI Capital funding was maintained at 2014 funding level with one-time injection of \$830,768. Total grant available = \$1,863,680. 2015 budget includes funding of \$1,056,000 for road construction projects and \$465,000 for public works vehicles & equipment.
- ▶ Regular road grant (\$598,558) has been rolled into MSI Capital funding. Will be used for gravel haul.
- ▶ BMS surplus will be \$1,221,960 (includes unspent funds from prior years). \$994,926 will be used for road construction projects, \$12,000 will be used for a joint initiative (Tofield Community Hall study), and \$215,034 will be transferred to reserve for future projects.

# Highlights of 2015 Budget

- ▶ Hiring consultants for BMS strategy review, long-term strategic planning, staff/Council wage review, west end Fire Smart application. Cost = \$98,000, offset by BMS reimbursement (\$23,000) and MSI Operating grant (\$75,000).
- ▶ Support community organizations with operating costs and special projects. Cost = \$50,000.
- ▶ Upgrading security at grader sheds, Office, campgrounds. Cost = \$27,800 with funding from reserve.
- ▶ Last year of phase-in of new SSF for BESC requisition. County saves \$61,189 in 2015.
- ▶ Implementing dog kennel service. Cost = \$10,000.
- ▶ Road construction includes 30 miles of shoulder pulls, 2 miles of oiling, 8 miles of terracem/chip seal

# Highlights of 2015 Budget

- ▶ Application of calcium chloride for dust control (roads and spot applications). Cost = \$390,000.
- ▶ Selling Kinsella water system to Highway 14 Water Services Commission. County saves \$19,250 in 2015. Sale proceeds will be transferred to reserve.
- ▶ West end truck fill station will be completed and leased to Highway 14 Water Services Commission. Lease payment of \$31,350 will be transferred to reserve.
- ▶ Bathgate waterline will be designed. Cost = \$210,823 offset by Growing Forward 2 and Clean Harbors' grants. Grant application has been submitted to Building Canada Fund for 66% of construction costs.
- ▶ Assisting with FCSS programming with grant of \$111,600 as well as managing partner for Youth Engagement Initiative (\$250,000).

# Highlights of 2015 Budget

- ▶ Assisting health foundations with grant of \$20,000.
- ▶ Equity Industrial Park (EIP) Development Strategy will be completed.
- ▶ Contract with Fortis to lift overhead power line on SH 854 (re: Equity Industrial Park high loads). Cost = \$60,000, to be recovered through lot sales.
- ▶ Atco Electric lease expires in EIP. Loss in taxes of \$114,594 in 2016.
- ▶ 1 lot sale in EIP, and 1 sale pending. Remaining inventory = 2 highway lots + 4 leased lots (available in late 2015).
- ▶ Continuing to share property taxes in Viking/Beaver Business Park with Town of Viking. 50% share = \$23,000.
- ▶ Agriculture crew activity includes mowing and weed inspection of entire County as well as spraying and mulching as per policy

# Highlights of 2015 Budget

- ▶ Chemical costs have escalated. Impact = \$80,000 on 2015 budget.
- ▶ Grant to Seed Cleaning Plant of \$25,000.
- ▶ Partnering with University of Alberta (Augustana) for research project on human/wildlife interactions. Cost = \$63,385.
- ▶ Continuing to share costs of recreation and libraries with towns and villages. County share = \$344,700.
- ▶ Year 1 of phased-in grant for Viking Carena = \$52,000
- ▶ Assist with study of new Tofield Community Hall = \$12,000
- ▶ Assisting hamlet agricultural societies and rural community halls with operating costs. Cost = \$32,600.
- ▶ Investing \$40,000 into each campground for major improvements. Return on investment (i.e. share user fees with campgrounds) = \$20,000.
- ▶ Repairs to Beaver Regional Arts Society building = \$35,000.



# Capital Purchases and Funding Sources

|   | Amount           | Grant          | Reserve          | Tax Levy       |
|---|------------------|----------------|------------------|----------------|
| <b>Administration</b>                         |                  |                |                  |                |
| Office equipment/security upgrade             | 20,000           |                | 20,000           |                |
| Aerial photos                                 | 51,200           |                | 51,200           |                |
| <b>Public Works</b>                           |                  |                |                  |                |
| Patrol/construction graders                   | 1,275,000        | 290,000        | 305,000          | 680,000        |
| Pickup/plow trucks                            | 233,315          | 175,000        | 58,315           |                |
| Backhoe                                       | 145,000          |                | 145,000          |                |
| Security upgrades at grader sheds             | 10,200           |                | 10,200           |                |
| <b>Water</b>                                  |                  |                |                  |                |
| West end truckfill station                    | 407,475          |                | 407,475          |                |
| Bathgate waterline engineering                | 210,823          | 120,823        | 90,000           |                |
| <b>Agriculture</b>                            |                  |                |                  |                |
| Trailer for mulcher                           | 20,000           |                | 20,000           |                |
| Tractor                                       | 117,000          |                | 117,000          |                |
| Mowers (2)                                    | 35,000           |                | 35,000           |                |
| Legacy (spray) system                         | 105,000          |                | 105,000          |                |
| <b>Recreation</b>                             |                  |                |                  |                |
| Campground improvements/<br>security upgrades | 87,600           |                | 7,600            | 80,000         |
| <b>Total</b>                                  | <b>2,717,613</b> | <b>585,823</b> | <b>1,371,790</b> | <b>760,000</b> |



# Projects Funded by Grants

|  | Funding Source                | Amount    |
|--|-------------------------------|-----------|
| <b>Administration</b>                    |                               |           |
| General operating                        | MSI Operating                 | 108,250   |
| Summer student (Bounty)                  | BRAED                         | 3,500     |
| Long-term strategic plan/vision          | MSI Operating                 | 20,000    |
| Council/staff wage review                | MSI Operating                 | 35,000    |
| Bounty events                            | Urban Neighbours              | 8,000     |
| Youth Engagement Initiative              | Alberta Community Partnership | 250,000   |
| <b>Fire Protection</b>                   |                               |           |
| Fire Smart consultant                    | MSI Operating                 | 20,000    |
| <b>Public Works</b>                      |                               |           |
| Patrol graders (2) + construction grader | MSI Capital                   | 290,000   |
| Plow truck                               | MSI Capital                   | 175,000   |
| Terracem                                 | BMS Surplus                   | 358,833   |
| Shoulder pulls/terracem                  | MSI Capital                   | 1,056,000 |
| Terracem                                 | Federal Gas Tax               | 298,234   |
| Gravel haul                              | Regular Road Grant            | 598,558   |
| <b>Water</b>                             |                               |           |
| Bathgate waterline engineering           | Growing Forward 2             | 67,500    |
| Bathgate waterline engineering           | Clean Harbors                 | 53,323    |
| <b>CALC</b>                              |                               |           |
| General operating                        | Advanced Education            | 123,500   |
| <b>Agriculture</b>                       |                               |           |
| General operating                        | ASB Grant                     | 183,000   |
| Toxic Round-Up                           | BMS, Alberta Recycling, Ab Ag | 5,000     |

# Projects Funded by Grants

|   | Funding Source | Amount           |
|---|----------------|------------------|
| <b>Recreation</b>                             |                |                  |
| Tofield Community Hall study                  | MSI Operating  | 12,000           |
| <b>Culture</b>                                |                |                  |
| Beaver Regional Arts Society building repairs | MSI Operating  | 35,000           |
|   |                |                  |
| <b>Total</b>                                  |                | <b>3,700,698</b> |

# Projects Funded from Reserve

|  | Amount           |
|--|------------------|
| <b>Administration</b>                                      |                  |
| Upgrade power at Office re: emergency preparedness         | 10,000           |
| Office equipment/security upgrade                          | 20,000           |
| Aerial photos  | 51,200           |
| <b>Public Works</b>  |                  |
| Security upgrades at grader sheds                          | 10,200           |
| Backhoe  | 145,000          |
| Construction grader  | 305,000          |
| Pickups (2)  | 58,315           |
| Road construction (prior years' BMS surplus)               | 636,093          |
| Bridge repairs   | 20,000           |
| <b>Water</b>   |                  |
| West end truck fill station                                | 407,475          |
| Bathgate waterline engineering (2014 Clean Harbors' grant) | 90,000           |
| <b>Planning &amp; Industrial Parks</b>                     |                  |
| Utility line lift on SH 854                                | 60,000           |
| <b>Agriculture</b>   |                  |
| Trailer for mulcher  | 20,000           |
| Tractor  | 117,000          |
| Mowers (2)   | 35,000           |
| Legacy (spray) system                                      | 105,000          |
| <b>Recreation</b>  |                  |
| Security upgrades at campgrounds                           | 7,600            |
| <b>Total</b>   | <b>2,097,883</b> |

# Reserve Balances \*

|                             | Amount           |
|-----------------------------|------------------|
| Administration              | 81,200           |
| Public Works                | 3,498,132        |
| Water                       | 564,975          |
| Planning & Industrial Parks | 60,000           |
| Agriculture                 | 652,000          |
| Recreation                  | 7,600            |
| BMS Surplus                 | 636,093          |
| <b>Total</b>                | <b>5,500,000</b> |

\* The County's unrestricted and restricted reserves were \$1,129,100 and \$18,366,755, respectively, at December 31, 2014 (subject to audit). These reserves are not in a separate bank account, but are net of miscellaneous accounts receivable, used to fund inventory, and assist with cash flow until taxes are received in October. To avoid short-term borrowing, funding from reserve should not exceed \$5.5 million.

# MSI Capital Grant

| Year       | Grant     | Spent/<br>Budgeted | Project              | Grant<br>Available |
|------------|-----------|--------------------|----------------------|--------------------|
| 2007       | 662,718   |                    |                      | 662,718            |
| 2008       | 1,006,106 | -180,638           |                      | 1,488,186          |
| 2009       | 764,134   | -2,087,305         |                      | 165,015            |
| 2010       | 1,831,873 | -2,344,089         |                      | -347,201           |
| 2011       | 1,826,520 | -2,071,434         |                      | -592,115           |
| 2012       | 1,836,524 | -2,136,221         |                      | -891,812           |
| 2013       | 1,784,548 | -1,063,249         |                      | -170,513           |
| 2014       | 1,864,268 | -1,683,000         |                      | 10,755             |
| 2014 Extra | 830,768   | 0                  |                      | 841,523            |
| 2015       | 1,032,912 | -170,000           | Maintenance graders  | 1,704,435          |
|            |           | -120,000           | Construction graders | 1,584,435          |
|            |           | -175,000           | Plow truck           | 1,409,435          |
|            |           | -1,056,000         | Roadwork             | 353,435            |

# BMS Grants

|  | Dividend/<br>Good N'bour/<br>GIL of Taxes | Dividend<br>(Joint<br>Initiatives) |
|--|---|------------------------------------|
| 2013 grants received   | 125,506                                   |                                    |
| 2014 grants received   | 358,833                                   | 227,034                            |
| Less: Grant for Holden Gazebo Park Path                            |   | (6,081)                            |
| Less: Grant for BEMS equipment                                     |   | (69,200)                           |
| Transfer unused 2014 Joint Initiatives Dividend to County Dividend | 151,753                                   | (151,753)                          |
| Estimated 2015 grants  | 358,834                                   | 227,034                            |
| Less: Roadwork   | (994,926)                                 |                                    |
| Less: Tofield Community Hall study                                 |   | (12,000)                           |
| Less: Joint Initiatives Dividend transferred to reserve            |   | (215,034)                          |
| <b>Balance Available</b>   | <b>0</b>                                  | <b>0</b>                           |

# Grants Provided to Others

|   | Project                       | Amount           |
|---|-------------------------------|------------------|
| Beaver Hills Initiative                           | Operating                     | 15,900           |
| Various youth/students                            | Youth awards, scholarships    | 6,000            |
| Cemetery associations                             | Operating                     | 15,000           |
| Community organizations                           | Various operating and capital | 50,000           |
| Beaver Emergency Services Commission              | Operating and capital         | 632,760          |
| Viking FCSS                                       | Youth engagement initiative   | 250,000          |
| FCSS (Tofield & Viking)                           | Operating                     | 116,600          |
| Health Foundations                                | Operating or capital          | 20,000           |
| Holden Seed Cleaning Plant                        | Operating                     | 25,000           |
| Agricultural research and extension organizations | Operating                     | 12,750           |
| Watershed alliances (2)                           | Operating                     | 3,000            |
| University of Alberta (Augustana)                 | Research project              | 63,385           |
| Town of Tofield and Agricultural Society          | Recreation                    | 93,000           |
| Village of Ryley and Agricultural Society         | Recreation                    | 37,000           |
| Village of Holden and Agricultural Society        | Recreation                    | 44,500           |
| Town of Viking and Agricultural Society           | Recreation & Carena           | 100,000          |
| Hamlets of Bruce and Kinsella                     | Recreation                    | 17,600           |
| Community halls                                   | Insurance, utilities, gravel  | 15,000           |
| Northern Lights Library System                    | Regional library service      | 57,555           |
| Tofield Library                                   | Operating                     | 86,620           |
| Ryley Library                                     | Operating                     | 12,260           |
| Holden Library                                    | Operating                     | 10,650           |
| Viking Library                                    | Operating                     | 24,670           |
| Beaver Regional Arts Society                      | Operating                     | 5,000            |
| <b>Total</b>                                      |                               | <b>1,714,250</b> |



# Assessment Base

| Assessment Class                 | Assessment for 2014 Budget (\$) | Assessment for 2015 Budget (\$) |
|----------------------------------|---------------------------------|---------------------------------|
| <b>Farmland</b>                  | 114,182,930                     | 114,141,500                     |
| <b>Residential</b>               | 535,795,340                     | 570,283,170                     |
| <b>Non-Residential</b>           | 64,774,890                      | 81,990,790                      |
| <b>Linear</b>                    | 333,083,550                     | 338,318,370                     |
| <b>Railway</b>                   | 23,261,730                      | 24,207,330                      |
| <b>Machinery &amp; Equipment</b> | 97,403,800                      | 96,435,490                      |
| <b>Grants-in-Lieu</b>            | 165,060                         | 167,490                         |
| <b>TOTAL</b>                     | <b>1,168,667,300</b>            | <b>1,225,544,140</b>            |

The 2014 assessment base for the 2015 tax year has been finalized with an increase of 4.9% from 2013.

Regulated farmland assessment remains constant and has not changed significantly over the past 25 years.

The residential class experienced a moderate increase in assessment. New residential construction and subdivisions, coupled with an increase in inflationary measures, has resulted in an increase of 6.4% overall.

The non-residential assessment base has seen the largest increase of assessment at 26.6%. New growth includes a grain elevator expansion, golf course improvements, diversification of farm properties, and other commercial or industrial use facilities.

Linear property such as wells, pipelines, power lines, and telecommunications experienced a slight increase of 1.6%. Most of the increase is a result of inflationary measures, with minimal growth in wells and pipelines.

Railway and Grant in Lieu assessments had a modest increase of \$948,000 due only to inflation.

Machinery and equipment assessment overall had a net decrease of \$968,310. Industry growth accounted for an increase of over \$1.1 million, however the continued shut-down of gas wells, compressor stations, and equipment removal decreased the assessment base by over \$2.1 million.

# Mill Rate Information

| Assessment Class                 | 2015 Municipal Mill Rate |
|----------------------------------|--------------------------|
| <b>Farmland</b>                  | 15.8023                  |
| <b>Residential</b>               |                          |
| Class FMR                        | 4.0203                   |
| Class RES                        | 4.0203                   |
| Class VAC                        | 7.7984                   |
| <b>Non-Residential</b>           | 16.4391                  |
| <b>Linear</b>                    | 16.4391                  |
| <b>Machinery &amp; Equipment</b> | 16.4391                  |

1 mill = \$1,225,000 taxes

Increase in assessment base = \$495,000

1 mill on increased asst base = \$1,720,000

First 1% increase in mill rates = \$621,000

Each 1% increase thereafter = \$126,000

Mill rate increase to balance budget = 3.43%