



Beaver County

Budget Overview

November 1, 2017

Agenda

- ▶ Budget Summary
- ▶ 2017 Budget and Forecast to December 31 /17
- ▶ Department Overviews
- ▶ Long-Range Financial Plan
- ▶ Reserves
- ▶ Future Considerations
- ▶ 2018 Budget Process

2017 Municipal Budget

Department	2017 Budget	Operating Revenue	Transfer From Reserve	Grants & Other Rev	2017 Tax Levy	2016 Budget	2016 Tax Levy	Budget 2017 - 2016	Tax Levy 2017 - 2016
Council	322,491	0	0	0	322,491	324,782	324,782	-2,291	-2,291
Administration	3,075,802	264,540	7,000	643,495	2,160,767	2,814,300	2,075,114	261,502	85,653
Police	416,593	50,000	80,000	0	286,593	350,494	296,494	66,099	-9,901
Fire Protection	685,765	0	0	0	685,765	579,466	579,466	106,299	106,299
Animal Control	11,000	0	0	0	11,000	11,000	11,000	0	0
Public Works	14,076,126	406,995	1,836,000	4,201,250	7,631,881	14,593,869	7,738,884	-517,743	-107,003
Water	170,700	70,700	0	63,000	37,000	57,025	0	113,675	37,000
Sewer	59,773	16,000	0	0	43,773	134,691	43,691	-74,918	82
Garbage	5,000	4,300	0	0	700	5,000	700	0	0
FCSS	133,451	0	0	0	133,451	133,451	133,451	0	0
CALP	134,422	10,000	0	124,422	0	135,022	0	-600	0
Planning & Development	355,863	108,530	147,000	0	100,333	522,238	84,253	-166,375	16,080
Agriculture	1,314,112	21,000	68,000	188,500	1,036,612	1,255,349	1,017,849	58,763	18,763
Recreation & Parks	718,929	140,000	55,000	0	523,929	971,308	532,308	-252,379	-8,379
Culture	220,407	0	0	0	220,407	216,031	209,997	4,376	10,410
Grand Total	21,700,434	1,092,065	2,193,000	5,220,667	13,194,702	22,104,026	13,047,989	-403,592	146,713

2017 Budget and Forecast

	2017 Budget	Forecast to Dec 31/17	Surplus (Deficit)	Source of Surplus (Deficit)				
				Tax Levy	Reserve	Grant	BMS	Capital
Council	322,491	282,500	39,991	39,991	-	-	-	-
Administration	2,886,801	2,301,177	585,624	274,525		200,000	109,890	1,209
Public Safety	386,593	336,535	50,058	30,238				19,820
Fire Protection	685,765	637,095	48,670	48,670				
Animal Cont	11,000	13,000	(2,000)	(2,000)				
PW Dir Off	1,977,844	1,755,631	222,213	18,974	56,139	17,500		129,600
PW Grader OP	1,938,019	1,605,600	332,419	332,419				
PW Construct	3,409,671	2,796,300	613,371	276,979		336,392		
PW Maint	4,557,597	3,931,000	626,597	481,597	95,000		50,000	
Water	100,000	100,000	-			-		
Sewer	59,774	37,224	22,550	22,550				
Garbage	5,000	5,000	-					
FCSS	133,451	133,451	-					
CALP	134,422	134,422	-					
Plan & Devel	355,863	307,625	48,238	3,238	45,000			
Agriculture	1,239,112	1,198,881	40,231	32,633				7,598
Rec & Parks	683,929	605,508	78,421	73,421				5,000
Culture	220,407	221,557	(1,150)	(1,150)				
Trans to Reserve & committed	2,592,695		(113,500)	(113,500)				
Total	21,700,434	16,402,506	2,591,733	1,518,585	196,139	553,892	159,890	163,227

Department Overviews

- ▶ Description of services provided
- ▶ Key accomplishments in 2017

Council

- ▶ Provides governance for County as a whole
- ▶ Develops and evaluates policies
- ▶ Sets levels of service to residents
- ▶ Approves budgets and sets level of taxation

Chief Administrative Officer

- ▶ Council's sole employee
- ▶ Administrative head of the County
- ▶ Ensures policies and programs are implemented
- ▶ Ensures sound financial management
- ▶ Advises Council on operation and affairs of County
- ▶ Designated Officer

General Administration

- ▶ Provides support to Council and other departments in areas of:
 - legislative services (policies, bylaws, election, census, petitions)
 - financial, accounting, and payroll services, including budget preparation and financial statements
 - property tax and assessment services
 - reception and administrative support
 - health and safety – received 94% on 2017 external audit
 - communications
 - strategic planning

General Administration

- ▶ Administration staff include:

- Chief Administrative Officer

- Assistant CAO

- CAO's executive assistant

- receptionist (also provides administrative support)

- 2 staff in communication department

- 3 staff in finance department (annually process ± 5000 A/P transactions, 1500 cheques, 1300 A/R transactions, 900 PY transactions + human resources function)

- 3 staff in assessment department (County has 9596 assessed properties)

Enforcement Services

- ▶ Ensures public is safe
- ▶ Enforces County bylaws and policies in areas of:
 - animal control
 - road use agreements
 - land use (unsightly premises)
 - noise
 - off-highway vehicles
- ▶ Enforces some Provincial statutes re: traffic enforcement

Enforcement Services

- ▶ Educates public on safety and enforcement matters (e.g. safe driving, check stops)
- ▶ 2 Community Peace Officers work days, evenings, several weekends
- ▶ Statistics:
 - YTD 467 tickets with projected value of \$119,858
 - YTD 17 road use agreements
 - YTD bylaw enforcement actions, including 63 animal control complaints, 19 unsightly premises complaints, 40 misc (littering, vandalism, etc.)

Protective Services

- ▶ Fire protection and emergency management services are provided by Beaver Emergency Services Commission

Public Works & Utilities

- ▶ Maintains a safe, navigable road network
- ▶ Maintains sanitary sewage disposal systems in Bruce, Kinsella, and Equity Industrial Park
- ▶ Supports oil/gas industry with pipeline and approach permits (YTD 120 applications)
- ▶ Maintains County buildings/facilities (grader sheds, County Office, campgrounds)

Transportation

Focus areas include:

Grader Operations
Road Construction
Road Maintenance
Utilities Maintenance

Transportation

- ▶ Grader Operations
 - 2600± km gravel, oiled, and paved roads
 - 10 designated patrols, maintaining about 210–270 km of road per patrol area
 - grade gravel roads, plow hard-surface roads, and clear driveways (average 400–500 requests annually)

Transportation

- ▶ Road Construction
 - 48 km of shoulder pulls annually
 - contract supply of 13 km terracem & chip seal application (\$1.26 million)
 - work schedule runs from May 1 to November 1

Transportation

▶ Road Maintenance

- 112,000 tonnes of gravel spread over 900 km of road annually
- purchase 160,000 tonnes of gravel each year at cost of \$2,450,000
- contract annual gravel haul (\$1.1 million)
- spot repairs and oil patching
- apply dust control to 34 km of roads and in front of 325± residences. Annual contract = \$530,000.
- maintain 5000± culverts, including approach culverts
- replace 80± culverts annually
- maintain 135± bridges & bridge-sized culverts

Public Works

- ▶ Utilities Maintenance
 - Bruce, Kinsella & Equity Industrial Park sewer systems (100 users)
 - monitor water quality at Black Nugget Lake & Camp Lake campgrounds
 - constructed water truck fill station in west end in 2014 – now operated and maintained by Highway 14 Water Services Commission

Public Works/Transportation

▶ Public works staff include:

- 1 Superintendent of Public Works
- 1 Superintendent of Transportation
- 1 Utilities Operator
- 1 administrative assistant
- 10 full-time patrol grader operators
- 4 full-time and 7 seasonal equipment operators
- 2 seasonal truck drivers

▶ Shop staff include:

- 1 shop foreman
- 1 mechanic & 1 apprentice mechanic
- 1 contract welder
- 1 administrative assistant

Public Works/Transportation

- ▶ County-owned PW equipment and vehicles include:
 - 14 vehicles (pick-ups and crew trucks)
 - 10 patrol graders and 3 construction graders
 - 4 tandem gravel trucks (3 with sanding units and plows)
 - 2 semi gravel trucks
 - 2 equipment trailers
 - 1 portable gravel office
 - 1 service truck and 2 water trucks
 - 4 loaders & 1 backhoe
 - 1 bulldozer
 - 1 scraper
 - 6 packers & 2 tractors with pull-type packers
 - 1 road reclaimer

Waste Management

- ▶ Waste disposal provided to Hamlet of Bruce residents under contract with Beaver Municipal Solutions
- ▶ Waste disposal provided to rural residents directly by Beaver Municipal Solutions via personal bins or transfer stations
- ▶ New initiative re: bins provided to residents in designated area around Ryley. Payment via BMS' Good Neighbour Grant.

Community Support Services

- ▶ Family and Community Support Services (Tofield & Viking)
- ▶ Health foundation support (Tofield and Viking)
- ▶ Host Community Adult Learning Program

Planning & Development

- ▶ 1 Development Officer (Assistant CAO is Subdivision Authority)
- ▶ Land use policy development and administration
 - YTD 88 development applications processed (98 in 2016). 27 applications are for SFD.
 - YTD 11 subdivision applications processed (16 in 2016)
- ▶ Approximately 550 acres of industrial land in two industrial parks (Ryley and Viking)
 - 5 businesses operating in Equity Industrial Park
 - 1 business operating in Viking/Beaver Business Park

Agriculture

- ▶ Agricultural Service Board (ASB) consists of 5 Council Members and 4 Public-At-Large Members
- ▶ ASB develops strategic business plan and advises staff on operations
- ▶ Deliver and support Provincial Acts:
 - *Weed Control Act*
 - *Agricultural Pests Act*
 - *Soil Conservation Act*
 - *Animal Health Act* (as requested)
- ▶ Organize/promote extension activities, including sustainable agriculture

Agriculture

Focus areas include:

Roadside Spraying (weed and brush control)

Custom spraying

Roadside brush control (intersection, yardsites)

Weed inspection

Pest inspection (grasshoppers, clubroot, etc.)

Roadside mowing

Roadside seeding

Brush mulching

Landflood control & problem pests (coyotes, beavers, skunks)

Extension activities

Agriculture

▶ Agriculture staff include:

- 1 Agricultural Fieldman (administration, related budget preparation and policy development, landflood control, extension activities)
- 1 Agricultural Fieldman (all field activities, equipment maintenance, and related budget preparation and policy development)
- 1 full-time employee (mulcher operator)
- 5 seasonal staff for vegetation management (weed inspection/weed spraying/brush control)
- 2 mower operators

All F/T and seasonal staff are appointed weed and/or pest inspectors to carry out legislated duties and provide maximum flexibility (e.g. inspecting “on the go”)

Agriculture

- ▶ County-owned Ag equipment and vehicles include:
 - 4 pick-ups and 1 flat-deck truck
 - 2 roadside spray trucks
 - 2 skid mounted sprayers
 - 1 quad
 - 1 UTV- with sprayer
 - 3 tractors
 - 3 roadside mowers
 - 1 chipper
 - 1 skid steer with 4 attachments
 - Items available for rent: 2 tree planters, skunk traps

Agriculture

- ▶ Roadside Spraying
 - legislated requirement for weed control
 - prevents brush encroachment within road allowances
 - 1 167± km blanket sprayed for weeds in Divisions 3 and 4
 - 887± km spot sprayed for brush in Divisions 1, 2, 3

Agriculture

- ▶ Roadside Brush Control
 - enhances traffic safety and road maintenance
 - YTD 20 km of roadside mulching completed
 - 8 km brush hand-slashed
 - YTD 420 yardsites sprayed or cut
 - 124 intersections sprayed and 2 intersections brushed
 - YTD 0.8 km backsloped + 2.4 km prepared

Agriculture

▶ Mowing

- improves sightlines for travelling public
- improves road drainage
- reduces snow drifting
- controls weed and brush encroachment
- County policy is to mow all graveled and hard surfaced roads once, annually.

Agriculture

- ▶ **Weed and Pest Inspection**
 - legislated requirement
 - inspect private and public lands
 - control noxious weeds/destroy prohibited noxious weeds
 - conduct clubroot surveys (150 in 2017)
 - participate in Provincial grasshopper survey
 - engage landowners regarding weed problems (17 in 2017)
 - maintenance of County lands

Agriculture

- ▶ Roadside Seeding
 - minimizes soil erosion
 - reclaims public works construction projects
 - 15 km of road allowance seeded in 2017

Agriculture

- ▶ Landflood Control & Problem Pests
 - mitigate damage to municipal infrastructure by beaver activity
 - U of A monitoring program for installed pond levelers
 - distribution of 1080 – only 1 producer in 2017
 - strychnine distribution to 29 producers (750 bottles)

Agriculture

- ▶ Extension Activities
 - provide funding for numerous watershed and agricultural organizations, such as 4-H, Alberta Farm Safety Center and Battle River Research Group
 - host various workshops on issues pertaining to agriculture and the environment
 - assisted U of A with Research project “Ecological Sustainability in Rural Landscapes”
 - assist producers with the completion of Environmental Farm Plans and Growing Forward applications

Recreation and Parks

- ▶ Operate two rural campgrounds – Black Nugget Lake (SW of Ryley) by contract and Camp Lake (North of Kinsella) with campground host
- ▶ Share operating costs of recreational facilities with towns, villages and ag societies
- ▶ Contribute funding to hamlet community groups and rural community halls

Culture

- ▶ Own Paragon Theatre in Village of Holden which hosts numerous plays and musical events each year
- ▶ Share operating costs of library services with towns and villages
- ▶ Member of Northern Lights Library System

Reserve Balances

	Jan 1/17 Balance	Budgeted Transfers In	Budgeted Transfers Out	Estimated Dec 31/17 Balance
Administration	1,622,615	69,000	(87,000)	1,604,615
Public Works	2,168,251	735,000	(384,000)	2,519,251
Water	223,360	70,700		294,060
Planning & Industrial Parks	1,101,662	0	(147,000)	954,662
Agriculture	128,460	75,000	(68,000)	135,460
Recreation	75,000	35,000	(55,000)	55,000
Contingency	1,902,525	155,995	0	2,058,520
Legislated Reserves	189,432	0	0	189,432
Total	7,411,305	1,140,695	(741,000)	7,811,000

* This reserve statement indicates the reserves that are funded by cash

Long-Range Financial Plan

- ▶ Declining economy resulted in significant reduction to assessment base. Recovery expected to be slow.
- ▶ In 2016, hired MNP to prepare a long-range financial plan
- ▶ Plan included 5-year revenue and expense projections and several recommendations for improving County's financial stability
- ▶ 5-year budget updated annually

Long Range Financial Plan

FIVE-YEAR BUDGET PROJECTION

	2018	2019	2020	2021	2022
OPERATING					
Total Operating Revenue	2,325,559	2,333,230	2,341,377	2,377,278	2,420,285
Total Operating Expenditures	14,214,213	14,533,612	14,869,901	15,229,190	15,598,447
Tax Levy Required for Operating	11,888,654	12,200,382	12,528,524	12,851,912	13,178,161
ROAD CONSTRUCTION					
Total Road Construction Revenue	2,402,263	2,402,263	2,402,263	2,716,596	2,402,263
Total Road Construction Expenditures	3,084,237	3,166,509	3,253,875	3,348,286	3,445,475
Tax Levy Required for Road Construction	681,974	764,246	851,612	631,690	1,043,212
CAPITAL EQUIPMENT					
Total Capital Revenue	1,175,000	1,065,000	1,580,000	456,500	1,197,500
Total Capital Expenditures	2,055,000	1,955,000	2,480,000	1,366,500	2,117,500
Tax Levy Required for Capital	880,000	890,000	900,000	910,000	920,000
Total Tax Levy required	13,450,628	13,854,628	14,280,135	14,393,602	15,141,373
Tax Levy Previous Year	13,194,702	13,450,628	13,854,628	14,280,135	14,393,602
Shortfall	(255,926)	(404,000)	(425,507)	(113,466)	(747,771)
Accumulated Shortfall over Five-Year Period	(255,926)	(659,926)	(1,085,433)	(1,198,900)	(1,946,671)

Long-Range Financial Plan

- ▶ The Long-Range Financial Plan identified the following projects to be completed:
 - long-term infrastructure plan
 - asset management plan
 - Budget Policy
 - review ratio of non-residential mill rates to residential mill rates
 - multi-year comprehensive strategic plan
 - core service level review
 - review revenue potential for campground, bylaw enforcement, aggregate levy
 - service costing analysis
 - municipal collaboration and cost-sharing

Future Considerations

- ▶ Council should be aware of the following “unknowns” during 2018 budget discussions:
 - when/how long before assessment base recovers?
 - changes in Provincial funding (currently \$3 million for MSI, FGTF, Agriculture)
 - changes to MGA
 - uncertainty of BMS funding
 - implications of BMS MCC
 - Long-Range Financial Plan projects
 - Municipal Sustainability Plan projects
 - increased BESC capital requisition (\$173,710 higher than 2017)

Future Considerations

- ▶ Council should be aware of the following “unknowns” during 2018 budget discussions:
 - infrastructure requirements re: EIP Area Structure Plan
 - Landflood Program policy review – level of service
 - long-term research agreement with the Augustana Campus of the U of A
 - implications of decreased Provincial funding on non-profit organizations (e.g. Agricultural Societies)
 - improvements to Camp Lake and Black Nugget Lake Parks
 - others?

2018 Budget Process

- ▶ Administration requires direction on development of 2018 budget:
 - Format for review of 1st draft budget (e.g. line-by-line expenses, program review, department review, level of service review)
 - Mill rate increase limitations
 - Date(s) for budget discussion

- ▶ Note: Interim 2018 budget to be approved prior to December 31 (i.e. December Council meeting)