



2018 BUDGET

1st Draft

November 8, 2017



Assessment Base

Assessment Class	2015 Assessment for 2016 Tax Year (\$)	2016 Assessment for 2017 Tax Year (\$)	2017 Assessment for 2018 Tax Year (\$)
Farmland	114,185,620	114,258,620	114,266,200
Residential	589,280,760	602,620,720	617,897,610
Non-Residential	78,366,710	95,011,320	95,564,130
Linear	310,204,020	281,560,390	313,407,610
Railway	25,720,280	25,342,050	25,909,410
Machinery & Equipment	92,074,930	87,239,200	85,436,200
Grants-in-Lieu	201,100	211,220	211,220
TOTAL	1,210,033,420	1,206,243,520	1,252,692,380

The 2017 assessment base for the 2018 tax year has been estimated with an increase of 3.8% from the 2017 budget year.

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

The residential class is estimated to experience a 2.5% increase in assessment due to new residential AYM and an increase due to new construction. Market values within certain areas of the County will be re-adjusted to reflect market as of July 1, 2017.

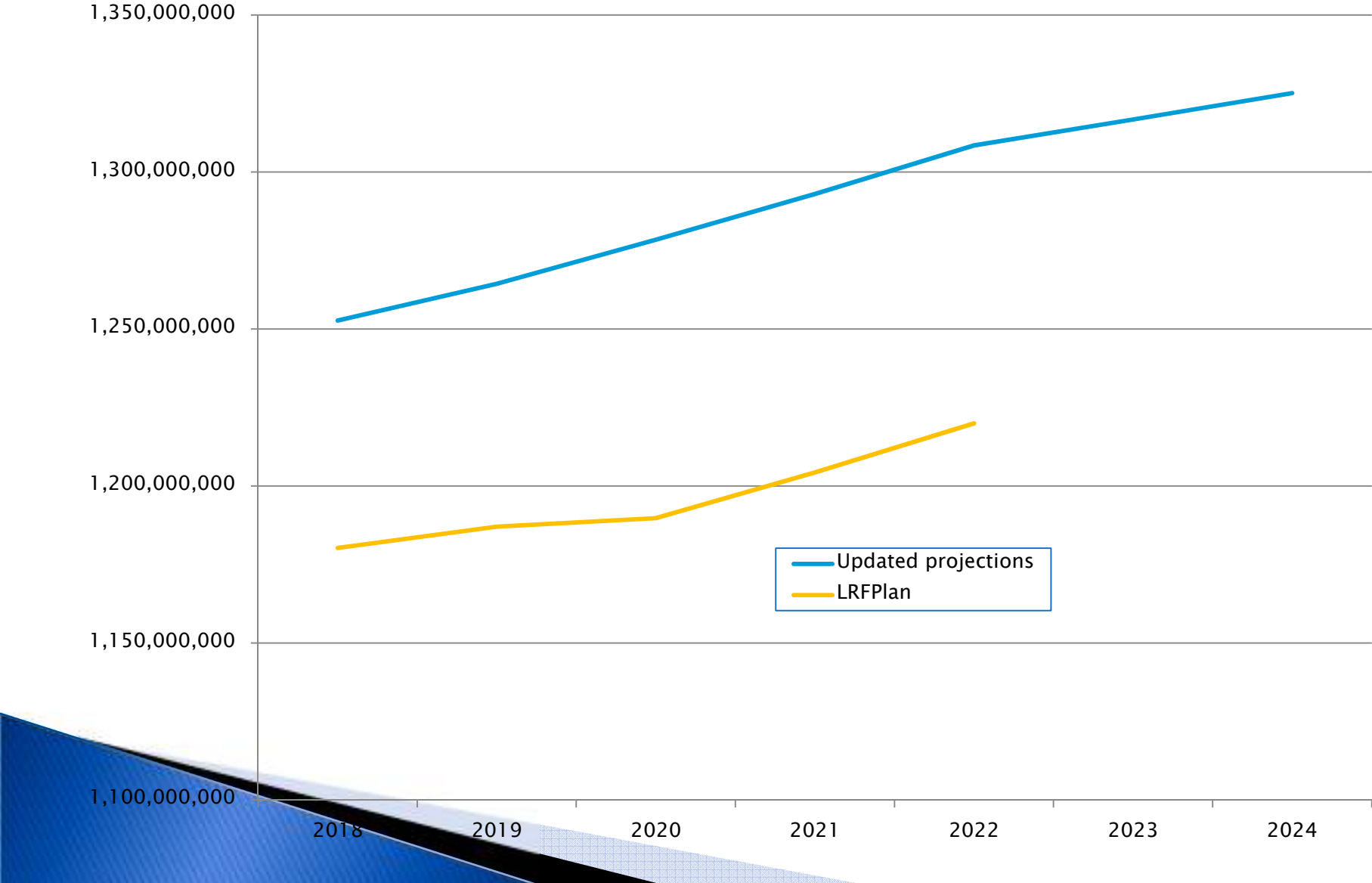
The non-residential assessment base will remain relatively constant for this year with no significant increase in assessment. There is potential for growth in this sector in the 2018 assessment (P&H).

Linear property such as wells, pipelines, electric power & tele-communications will experienced a combined increase of 11.3%. The increase is due to a re-bounce in the AYM for pipelines and wells. In 2016, there was a significant growth with the Atco Electric Power Line of over \$8.7 million, however pipelines & wells had a drastic decrease in the AYM in the prior year (2015).

Railway and Grant in Lieu assessments will see a slight increase due to annual AYM index factor.

Machinery and equipment assessment will experience a decrease of \$1,803,000 due to shut-in gas wells. 2

Projected Assessment (2018-2023)



2018 Municipal Budget Summary

Department	2018 Budget	Operating Revenue	Transfer From Reserve	Grants & Other Rev	2018 Tax Levy	2017 Budget	2017 Tax Levy	Budget 2018 - 2017	Tax Levy 2018 - 2017
11 - Council	324,985	0	0	0	324,985	322,491	322,491	2,492	2,492
12 - Administration	3,042,666	344,540	145,000	597,000	1,956,126	3,075,801	2,160,766	-33,134	-204,639
21 - Public Safety	396,772	50,000	60,000	0	286,772	416,593	286,593	-19,820	180
23 - Fire Protection	826,140	0	0	0	826,140	685,765	685,765	140,375	140,375
26 - Animal Control	11,000	0	0	0	11,000	11,000	11,000	0	0
32 - Public Works	15,691,991	406,995	2,501,600	4,824,416	7,958,980	14,076,125	7,631,880	1,615,867	327,101
41 - Water	70,700	70,700	0	0	0	170,700	37,000	-100,000	-37,000
42 - Sewer	59,774	16,000	0	0	43,774	59,774	43,774	0	0
43 - Garbage	15,440	4,300	0	10,440	700	5,000	700	10,440	0
51 - FCSS	133,451	0	0	0	133,451	133,451	133,451	0	0
53 - CALP	145,447	10,000	0	135,447	0	134,422	0	11,025	0
61 - Planning/ Dev't	1,267,413	106,730	1,050,000	0	110,683	355,863	100,333	911,550	10,350
63 - Agriculture	1,327,587	20,000	30,000	186,000	1,091,587	1,314,112	1,036,612	13,475	57,975
72 - Rec & Parks	654,429	170,000	0	0	484,429	718,929	523,929	-64,500	-39,500
74 - Culture	227,407	0	0	0	227,407	220,407	220,407	8,000	8,000
Grand Total	24,195,203	1,199,265	3,786,600	5,753,303	13,456,035	21,700,434	13,194,702	2,494,770	261,333

2018 Draft Budget – Council

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	259,991	62,500		-	322,491				322,491
Changes to 2017	2,491		-	-	2,491	-	-	-	2,491
Budget 2018 Base	262,482	62,500	-	-	324,982	-	-	-	324,982
New Budget Items					-				-
Budget 2018	262,482	62,500	-	-	324,982	-	-	-	324,982

Changes to 2017 Base:

1. Change in salary and benefits. Due to election, used average of 2017 budget and distributed evenly. Small change in benefits.

2018 Draft Budget–Administration

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	1,519,596	1,123,316	7,000	425,890	3,075,802	264,540	7,000	643,495	2,160,767
Changes to 2017	(1,258)	(14,236)	38,000	(55,640)	(33,134)	80,000	138,000	(46,495)	(204,639)
Budget 2018 Base	1,518,338	1,109,080	45,000	370,250	3,042,668	344,540	145,000	597,000	1,956,128
New Budget Items					-				-
Budget 2018	1,518,338	1,109,080	45,000	370,250	3,042,668	344,540	145,000	597,000	1,956,128

Changes to 2017 Base:

1. Salary & benefits decreased as no elections in 2018 offset by increases
2. Contract services was mainly reduced due to legal fees, contracts and one time election costs
3. Capital and Transfer from Reserve was increased due to increase in capital purchase; and transfer from reserve revenue was also increased due to project not completed in prior year.
4. Transfer & grants expense was reduced due to grant c/f from 2016 not used offset by increase in guaranteed grants
Grant revenue was reduced mainly due to no c/f from 2016 and project completed offset by consultant to be funded from BMS

2018 Draft Budget – Public Safety & Animal Control

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	231,993	85,600	80,000	30,000	427,593	50,000	80,000		297,593
Changes to 2017	180		(20,000)	-	(19,820)		(20,000)	-	180
Budget 2018 Base	232,173	85,600	60,000	30,000	407,773	50,000	60,000	-	297,773
New Budget Items					-				-
Budget 2018	232,173	85,600	60,000	30,000	407,773	50,000	60,000	-	297,773

Changes to 2017 Base:

1. Capital and transfer from reserve reduced due to less capital being purchased in 2018

2018 Draft Budget–Fire Protection

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget				685,765	685,765				685,765
Changes to 2017			-	140,375	140,375	-	-	-	140,375
Budget 2018 Base	-	-	-	826,140	826,140	-	-	-	826,140
New Budget Items					-				-
Budget 2018	-	-	-	826,140	826,140	-	-	-	826,140

Changes to 2017 Base:

1. Transfers and grants increased by 190k for the BESC budget of which 174k was for capital; this was offset by a reduction of 50k of a one time charge in last year's budget

2018 Draft Budget – Public Works Administration, Capital, and Reserves*

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	331,094	172,750	1,474,000	740,995	2,718,839	280,995	184,000	420,000	1,833,844
Changes to 2017	(583)		(149,000)		(149,583)		(19,000)	(20,000)	(110,583)
Budget 2018 Base	330,511	172,750	1,325,000	740,995	2,569,256	280,995	165,000	400,000	1,723,261
New Budget Items					-				-
Budget 2018	330,511	172,750	1,325,000	740,995	2,569,256	280,995	165,000	400,000	1,723,261

*Expenses include Supt of PW, Supt of Transportation, admin support, office expenses, admin vehicles expenses, misc. engineering, insurance, street lights, capital vehicles and equipment, and transfers to reserve

Changes to 2017 Base:

1. Capital decreased due to less capital being purchased in 2018.
2. Transfer from reserve decreased due to decrease in purchases
3. Grants revenue decreased due to policy of 1/3 MSI to be used for capital

2018 Draft Budget – Public Works Grader Operators

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	1,120,379	817,640			1,938,019				1,938,019
Changes to 2017	(1,225)	(184,100)	-		(185,325)	-	-	-	(185,325)
Budget 2018 Base	1,119,154	633,540	-	-	1,752,694	-	-	-	1,752,694
New Budget Items					-				-
Budget 2018	1,119,154	633,540	-	-	1,752,694	-	-	-	1,752,694

Changes to 2017 Base:

1. Services materials and supplies decreased for fuel (131k) and equipment supplies (50k).

2018 Draft Budget – Public Works Road Construction and Bridges

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	520,051	2,889,620			3,409,671			3,132,692	276,979
Changes to 2017	(216,416)	65,770	-		(150,646)	-		(6,834)	(143,812)
Budget 2018 Base	303,635	2,955,390	-	-	3,259,025	-	-	3,125,858	133,167
New Budget Items		700,000			700,000			700,000	-
Budget 2018	303,635	3,655,390	-	-	3,959,025	-	-	3,825,858	133,167

Changes to 2017 Base:

1. Salary and benefits costs were realigned with road maintenance to better reflect actual costs
2. Services and materials & supplies increased mainly due to the cost of gravel (68k) and the cost of road oil (80k) offset by 100k for chip seal
3. New budget item relates to additional cost of bridge work planned for 2018 being funded from BMS

2018 Draft Budget – Public Works Road Maintenance

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	656,725	3,900,872		1,452,000	6,009,597	126,000	1,652,000	648,558	3,583,039
Changes to 2017	354,300	146,021	-		500,321	-	(125,000)	(50,000)	675,321
Budget 2018 Base	1,011,025	4,046,893	-	1,452,000	6,509,918	126,000	1,527,000	598,558	4,258,360
New Budget Items	91,500			809,600	901,100		809,600		91,500
Budget 2018	1,102,525	4,046,893	-	2,261,600	7,411,018	126,000	2,336,600	598,558	4,349,860

Changes to 2017 Base:

1. Salaries & benefits increased due to realignment of road construction and maintenance budgets (216k) plus adjustment of prior budget for manpower
2. Services material & supplies increased mainly due to cost of gravel & hauling (670k), offset by special projects from 2017 (235k) and reduction of dust control (161k)
3. Transfer from reserve reduced due to project completed in 2017 was funded from reserve
4. New budget item for salary and benefits is a culvert crew. This was a test project in 2017 which was very successful.
5. New budget item for transfers and transfer from reserve is due to increase in cost of gravel

2018 Draft Budget

Water, Sewer, Waste Disposal

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	24,973	139,800		70,700	235,473	91,000		63,000	81,473
Changes to 2017		(89,560)	-		(89,560)			(52,560)	(37,000)
Budget 2018 Base	24,973	50,240	-	70,700	145,913	91,000	-	10,440	44,473
New Budget Items									-
Budget 2018	24,973	50,240	-	70,700	145,913	91,000	-	10,440	44,473

Changes to 2017 Base:

1. Services/materials and grants revenue decreased due to completion of water capacity project offset by waste bins funded by BMS

2018 Draft Budget – FCSS

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2016 Budget	1,850			131,601	133,451				133,451
Changes to 2016			-		-				-
Budget 2017 Base	1,850	-	-	131,601	133,451	-	-	-	133,451
New Budget Items					-				-
Budget 2017	1,850	-	-	131,601	133,451	-	-	-	133,451

Changes to 2017 Base:
None

2018 Draft Budget – CALP

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	82,090	52,332			134,422	10,000		124,422	-
Changes to 2017	11,025		-		11,025			11,025	-
Budget 2018 Base	93,115	52,332	-	-	145,447	10,000	-	135,447	-
New Budget Items					-				-
Budget 2018	93,115	52,332	-	-	145,447	10,000	-	135,447	-

Changes to 2017 Base:

1. CALP is run by the CALP Board; provincial grants and operating revenue cover all expenses

2018 Draft Budget Planning & Development

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	110,863	245,000			355,863	108,530	147,000		100,333
Changes to 2017	1,345	10,205	900,000		911,550	(1,800)	903,000		10,350
Budget 2018 Base	112,208	255,205	900,000	-	1,267,413	106,730	1,050,000	-	110,683
New Budget Items					-				-
Budget 2018	112,208	255,205	900,000	-	1,267,413	106,730	1,050,000	-	110,683

Changes to 2017 Base:

1. Increase in capital and transfer from reserve is due to Equity Industrial Park improvements

2018 Draft Budget Agriculture

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	576,360	482,550	68,000	187,202	1,314,112	21,000	68,000	188,500	1,036,612
Changes to 2017	22,790	28,636	(38,000)	49	13,475	(1,000)	(38,000)	(2,500)	54,975
Budget 2018 Base	599,150	511,186	30,000	187,251	1,327,587	20,000	30,000	186,000	1,091,587
New Budget Items					-				-
Budget 2018	599,150	511,186	30,000	187,251	1,327,587	20,000	30,000	186,000	1,091,587

Changes to 2017 Base:

1. Salary increased due to prior budget reflected shorter season. Actual work aligns with Council direction.
2. Services material & supplies increased mainly due to contract for beaver control (60k) offset by general and other supplies
3. Capital and transfer from reserve decreased as less capital purchased
4. New budget item, salary and benefits, due to extension of brushing and spraying season

2018 Draft Budget Recreation

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	15,000	186,475	135,000	382,454	718,929	140,000	55,000		523,929
Changes to 2017		(4,500)	(55,000)	(5,000)	(64,500)	30,000	(55,000)		(39,500)
Budget 2018 Base	15,000	181,975	80,000	377,454	654,429	170,000	-	-	484,429
New Budget Items					-				-

Changes to 2017 Base:

1. Capital was reduced as boat launch completed offset by reduction in reserve funding
2. Operating revenue increased for campgrounds

2018 Draft Budget Culture

	Salary Benefits	Services Material & Supplies	Capital	Transfers & Grants	Gross Expense Budget	Operating Revenue	Transfer From Reserve	Grants	Net Tax Levy
2017 Budget	350	1,600		218,457	220,407				220,407
Changes to 2017		5,000		2,000	7,000				7,000
Budget 2018 Base	350	6,600	-	220,457	227,407	-	-	-	227,407
New Budget Items					-				-
Budget 2018	350	6,600	-	220,457	227,407	-	-	-	227,407

Changes to 2017 Base:

1. Services, materials, & supplies increased due to minor repairs to Paragon Theatre
2. Transfers & Grants increased due to increased grant to Beaverhill Players

Capital Purchases and Funding Sources

	Amount	BMS	Reserve	MSI	FGTF	Levy
Administration						
I Series Server	45,000		45,000			-
Public Safety						-
Vehicle	60,000		60,000			-
Public Works						-
Energy upgrades	100,000	100,000				-
Patrol grader	380,000					380,000
Patrol grader	380,000					380,000
Highway tractor	150,000			150,000		-
Gravel Trailer	150,000			150,000		-
Water Cannon	60,000		60,000			-
Packer	60,000		60,000			-
Vehicles	45,000		45,000			-
Bridges	1,100,000	1,100,000				
Road construction	2,859,025	981,758		1,444,100	300,000	133,167
Planning & Development						-
EIP improvements	975,000		975,000			-
Agriculture						-
Mowers	30,000		30,000			-
Recreation						-
Repairs & upgrades	80,000					80,000
	6,474,025	2,181,758	1,275,000	1,744,100	300,000	973,167

MSI Capital Grant

	Amount
Estimated available from 2017	64,100
2018 grant	1,700,000
Total available 2018	1,764,100
Budgeted expenses	
Capital Equipment	300,000
Road program	1,444,100
Total budgeted expenses	1,744,100
Estimated carry forward after 2018	20,000

BMS Grants

	Dividend (County)	Dividend (Joint)	Good N'bour	GIL of Taxes	Total
Available from 2017	1,404,480	46,045	24,950	-	1,475,475
Estimated 2018 grants	464,229	464,229	35,390	128,350	1,092,198
Re-allocation of Joint Dividend	364,229	(364,229)	-	-	-
Estimated total available	2,232,938	146,045	60,340	128,350	2,567,673
Budgeted expenses					
Compensation review	(40,000)				(40,000)
Asset management plan	(50,000)				(50,000)
Energy upgrades	(100,000)				(100,000)
Community support grants		(100,000)			(100,000)
Road construction projects	(942,938)			(38,820)	(981,758)
Bridge projects	(1,100,000)				(1,100,000)
BMS waste bin program			(10,440)		(10,440)
Total budgeted expenses	(2,232,938)	(100,000)	(10,440)	(38,820)	(2,382,198)
Estimated unexpended at December 31, 2018	0	46,045	49,900	89,530	185,475

2018 Projects Funded from Reserve

	Amount
Administration	
Municipal Sustainability Plan initiatives	100,000
Accounting software server	45,000
Public Safety	
Vehicle	60,000
Public Works	
Water cannon, packer	120,000
Pick-up trucks	45,000
Guardrail Installation	75,000
Planning & Development	
Solar project – business plan, legal fees & subdivision costs	75,000
EIP storm water management design & improvements	975,000
Agriculture	
Mowers (2)	30,000
TOTAL	
	1,525,000

Reserve Balances*

	Dec 31/17 Projected Balance	Budgeted Transfers In	Budgeted Transfers Out	Estimated Dec 31/17 Balance
Administration/Public Safety	1,624,415	65,000	(205,000)	1,484,415
Public Works	2,606,251	740,995	(240,000)	3,107,246
Water	294,060	70,700		364,760
Planning & Industrial Parks	1,079,662		(1,050,000)	29,662
Agriculture	142,960	75,000	(30,000)	187,960
Recreation	55,000	35,000		90,000
Contingency	2,128,520	150,000		2,278,520
Legislated Reserves	189,432			189,432
Total	8,120,300	1,136,695	(1,525,000)	7,731,995

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

2018 Tax Levy Requirement

2018 Total Expenditures	\$ 24,195,203
2018 Revenue (all sources)	<u>(\$10,739,168)</u>
2018 Tax levy required	\$ 13,456,035
2017 Tax levy requirement	<u>(\$13,194,702)</u>
Increase in tax levy requirement	\$ 261,333
Additional taxes generated from increased assessment	<u>(\$ 600,000)</u>
Surplus taxes	\$ 338,667

Future Considerations

- ▶ The following items may impact future draft budgets:
 - changes in Provincial funding (e.g. MSI, FGTF, Agriculture)
 - implications of changes to MGA (e.g. does Council wish to tax small businesses at a lower mill rate than major industries?)
 - uncertainty of BMS funding
 - implications of BMS MCC
 - Long-Range Financial Plan projects (asset management plan is the only project included in the draft budget)
 - 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)

Future Considerations

- ▶ The following items may impact future draft budgets:
 - Council has directed a 0% mill rate increase. Should organizations/municipalities to which grant funding is provided be asked to hold the line on expenses as well (e.g. BESC, FCSS, shared services partners)?
 - Although it appears there may be a surplus, the 2017 tax collection rate is 92%, significantly lower than normal. One unpaid tax account (linear) is \$900,000.