



2019 BUDGET

Interim

December 19, 2018



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2019 Municipal Budget Summary

Department	2019 Budget	Operating Revenue	Transfer From Reserve	Grants & Other Rev	2019 Tax Levy	2018 Budget	2018 Tax Levy	Budget 2019 - 2018	Tax Levy 2019 - 2018
Council	353,840	0	0	11,360	342,480	323,291	323,291	30,549	19,189
Administration	4,127,481	487,580	234,412	1,156,341	2,249,148	4,235,544	2,172,702	-108,063	76,446
Public Safety	352,334	60,000	10,000	20,000	262,334	401,378	291,378	-49,044	-29,044
Fire Protection	849,358	0	0	0	849,358	849,358	849,358	0	0
Animal Control	11,000	0	0	0	11,000	11,000	11,000	0	0
Public Works (DO)	3,232,738	515,995	368,333	566,667	1,781,743	2,667,922	1,719,650	564,816	62,093
Public Works (GO)	1,973,116	0	30,000	0	1,943,116	1,905,215	1,723,038	67,901	220,079
Public Works (RC)	3,281,491	0	1,130,000	2,151,491	0	2,840,816	0	440,675	0
Public Works (RM)	7,520,879	126,000	2,525,500	598,558	4,270,821	8,044,915	4,421,605	-524,036	-150,784
Water	70,700	70,700	0	0	0	70,700	0	0	0
Sewer	69,592	16,000	20,000	0	33,592	59,496	43,496	10,096	-9,904
Waste Management	12,200	4,300	0	7,200	700	12,200	700	0	0
FCSS	137,626	0	0	0	137,626	137,626	137,626	0	0
CALP	142,372	7,600		134,772	0	142,372	0	0	0
Planning & Develop	285,570	83,250	15,000	71,400	115,920	1,284,275	131,145	-998,705	-15,225
Agriculture	1,083,563	20,000	30,000	186,000	847,563	1,051,511	845,511	32,052	2,052
Recreation & Parks	798,877	170,000	128,000	40,000	460,877	749,860	494,860	49,017	-33,983
Culture	235,057				235,057	224,487	224,487	10,570	10,570
Grand Total	24,537,794	1,561,425	4,491,245	4,943,789	13,541,335	25,011,965	13,389,846	-474,172	151,489

Summary of Changes From November 9 Presentation By Department

	Gross Expense	Operating Revenue	Transfer from Reserve	Grants & Other Revenue	Tax Levy
November 9, 2018 Presentation	24,991,772	1,621,425	4,481,452	5,347,029	13,541,866
Council	52,643			11,360	41,283
Administration	(92,619)	(70,000)	(151,707)	48,500	80,588
Public Safety	1,135	10,000		20,000	(28,865)
Fire Protection	(17,520)				(17,520)
Public Works - Directors' Office	1,000		71,000		(70,000)
Public Works - Road Construction	(645,000)		(57,500)	(587,500)	
Public Works - Maintenance	90,000				90,000
Sewer	20,000		20,000		
Planning & Economic Development				64,400	(64,400)
Recreation & Parks	125,817		128,000	40,000	(42,183)
Culture	10,570				10,570
December 19, 2018 Presentation	24,537,798	1,561,425	4,491,245	4,943,789	13,541,339

[See detailed explanations in Attachment C](#)

Budget Highlights

	Reserve	Grant	Tax Levy
Administration projects:			
BMS due diligence review		X	
Asset management plan		X	
Other consulting (e.g. compensation review, etc.)		X	
Intermunicipal collaboration frameworks		X	
Designated industrial property assessment (Year 2)		X	
Business Incentive Grant (Year 1)		X	
Community Peace Officer projects:			
Crime prevention forum			X
Mobile radios	X		
Public Works projects:			
Public works equipment and vehicles	X	X	X

Budget Highlights

	Reserve	Grant	Tax Levy
Road Construction/Maintenance projects:			
560 miles gravelling			X
Dust control at intersections			X
6 miles soil cement/chip seal		X	
6 miles re-oiling		X	
2 additional full-time grader operators			X
Salt/sand shed design	X		
Road construction (east end development)	X	X	
Waste Management programs:			
BMS waste bin program		X	

Budget Highlights

	Reserve	Grant	Tax Levy
Industrial Parks projects:			
EIP promotions	X		
VBBP grader shed lot/new subdivision		X	
Agricultural Services projects:			
1000 miles of weed control			X
Roadside mowing in west end			X
Roadside brushing in west end			X
Beaver bounty program			X
Mower	X		
Campground projects:			
Improvements at Camp Lake and Nugget Lake	X	X	X

MSP Initiatives

GOAL 1 – DIVERSITY THE ECONOMY

OBJECTIVE 1 – DIVERSIFY AGRICULTURE

Initiative 1 – Develop Niche Crops

Conduct agriculture opportunities survey including production/products inventory

Facilitate agriculture producers workshop to identify niche product opportunities

Initiative 5 – Attract Processing Investment

Review County regulation (with urban municipalities) to make it easier for craft brewers to establish facilities

OBJECTIVE 3 – ATTRACT AND RETAIN “INDEPENDENTS”

Initiative 1 – Grow the Number of Home-Based Businesses

Review home-based business regulation and remove any restrictions

MSP Initiatives

GOAL 2 – STRENGTHEN SOCIAL STRUCTURE

OBJECTIVE 1 – BE A CATALYST FOR HOUSING INNOVATION

Initiative 1 – Attract Innovative Housing Development

Review regulation to enable more urbanized subdivision and development

Initiative 2 – Collaborate with Urban Communities to Develop Urban Agriculture Strategies

Initiate discussion with Strathcona County about their urban agriculture strategy

GOAL 3 – SOFTEN ENVIRONMENTAL FOOTPRINT

Initiative 3 – Enhance Shelterbelt Planting/Preservation and Wetland Preservation

Conduct communication program to determine interest in alignment with DU or NCC

Initiative 4 – Advance Beaver Hills Conservation

Continue to participate in the Beaver Hills initiative and serve as a strong advocate for legacy preservation

MSP Initiatives

GOAL 4 – IMPLEMENT LONG-TERM FISCAL FRAMEWORK

Initiative 4 – Plan for Long-Term Regional Infrastructure Recapitalization Requirements

Undertake a municipal infrastructure assessment project

GOAL 5 – BE RECOGNIZED AS RURAL GOVERNANCE LEADER

Initiative 2 – Achieve Health/Education Excellence

Hold annual meetings with each school board and health authority to identify issues and opportunities

Grants to Organizations

Department	Type / Organization	Amount
Administration	Beaver Hills Initiative	20,000
	Youth Outstanding / Education	4,500
	Cemetery support	15,000
	Community Support requests	250,000
	Guaranteed grants	31,855
	Stelmach scholarship	2,000
Fire Protection	Beaver Emergency Services Commission	849,358
FCSS	FCSS	115,776
	Health Foundation Support	20,000
Agriculture	Seed Cleaning Plant	30,000
	Battle River Research	10,001
	Various	8,750
Recreation & Parks	Towns & Villages	245,545
	Agricultural societies	90,657
	Rural Community halls	15,000
Culture	Northern Lights Library and library boards	221,107
	Beaverhill Players	7,000
Total		1,936,549

Capital Equipment & Road Construction and How Funded

	Amount	BMS	Reserve	MSI + FGTF	Levy
Peace Officer					
Radios	10,000		10,000		
Public Works					
Salt shed - design	50,000		50,000		
Graders (2)	890,000				890,000
Packer	250,000			250,000	
Gen set	14,000		14,000		
Construction grader	445,000		128,333	316,667	
Grader packers (2)	60,000		60,000		
Dual drum packer	51,000		51,000		
Bumper pull trailer	20,000		20,000		
Pick up	45,000		45,000		
Road construction (Cty-wide)	2,151,491	718,158		1,433,333	
Road construction (east end)	1,130,000		1,130,000		
Planning & Development					
VBBP grader shed lot/subd	35,000	35,000			
Agriculture					
Mowers	30,000		30,000		
Recreation					
Campgrounds	208,000	40,000	128,000		40,000
Total	5,389,491	793,158	1,666,333	2,000,000	930,000

MSI Capital Grant

Summary of Estimated Receipts and Disbursements

	2018	2019	2020
Receipts			
Grant amount carry forward from prior years	320,081	352,263	348,587
GoA 2017 -18 Supplementary Estimate (50% for 2018 and 50% for 2019)	801,097	801,097	
2018 grant	895,227		
2019 grant - estimated		895,227	
2020 grant - estimated			1,400,000
Amount available	2,016,405	2,048,587	1,748,587
Disbursements			
Estimated disbursements	1,664,142	1,700,000	1,700,000
Total Estimated Disbursements	1,664,142	1,700,000	1,700,000
Carry forward to future years	352,263	348,587	48,587

The MSI Capital Grant program will be replaced in 2021 but no details are known at this time. 13

BMS Grant

	Dividend (County)	Dividend (Regional)	Dividend (Other NPO)	Good N'bour	GIL of Taxes	Total
Estimated Dec 31/18 Balances	516,439	72,750	183,533	21,779	132,453	926,954
Re-allocation of unspent funds	410,515	(72,750)	(183,533)	(21,779)	(132,453)	0
Estimated 2019 grants	464,229	232,115	232,115	36,559	132,453	1,097,471
Estimated total available	1,391,183	232,115	232,115	36,559	132,453	2,024,425
Budgeted expenses:						
Additional Ccl FCM Conf expenses	(11,360)					(11,360)
BMS due diligence review	(50,000)					(50,000)
Asset management plan	(79,700)					(79,700)
Consulting fees (comp review, etc.)	(53,500)					(53,500)
Allowance for unpaid taxes	(243,588)					(243,588)
Business Incentive Grant	(20,000)					(20,000)
Cmty support grants		(110,321)	(110,321)	(29,358)		(250,000)
Health & safety training	(15,000)					(15,000)
CPO legal fees	(20,000)					(20,000)
Road construction	(718,158)					(718,158)
Finalize VBPP subdivision	(54,400)					(54,400)
EIP promotion	(10,000)					(10,000)
Campground improvements	(40,000)					(40,000)
BMS waste bin program				(7,200)		(7,200)
Total budgeted expenses	(1,315,706)	(110,321)	(110,321)	(36,558)	0	(1,572,906)
Estimated available, Dec 31/19	75,477	121,794	121,794	1	132,453	451,519

Schedule of Reserve Transactions and Estimated Balances

	Estimated Jan 1/19	Budgeted Transfers In	Budgeted Transfers Out	Estimated Dec 31/19 Balance
Administration	1,967,438	71,500	35,000	2,003,938
Public Works	2,102,784	3,405,995	3,998,333	1,510,446
Water & Sewer	480,553	70,700	20,000	531,253
Planning & Industrial Parks	1,050,000		15,000	1,035,000
Agriculture	246,347	80,000	30,000	296,347
Recreation	110,000	35,000	128,000	17,000
Contingency	358,520	325,000	264,912	418,608
Legislated Reserves	189,432			189,432
Total	6,505,074	3,988,195	4,491,245	6,002,024

Transfer to Reserve and How Funded

Department	Transfer Amount	Purpose/ Source Description	Operating Revenue	Tax Levy
Administration	325,000	Per policy - investment revenue	325,000	
	4,000	Health & Safety awards - WCB rebate	4,000	
	35,000	Future equipment		35,000
Public Safety	32,500	Future equipment/vehicles		32,500
Public Works				
	495,000	Equipment trade-ins	495,000	-
	330,000	Future equipment/vehicles		330,000
	80,995	Pavement/Islet Lk LIT reserve		80,995
	2,500,000	Gravel reserve		2,500,000
Water	70,700	West end truck fill fees	70,700	-
Agriculture	80,000	Future equipment/vehicles		80,000
Recreation & Parks	35,000	Buildings/facilities		35,000
Total	3,988,195		894,700	3,093,495

Projects Funded from Reserve

	Amount
All Departments – Retirement Allowances	76,000
Administration	
Allowance for uncollectible taxes	188,912
Cost-share Town of Viking mediation	25,000
Public Safety	
Mobile radios	10,000
Public Works	
Salt & Sand Shed design	50,000
Equipment	273,333
Vehicle	45,000
Road construction (east end)	1,130,000
Gravel purchase	2,500,000
Sewer	
Spare pumps	20,000
Planning & Development	
EIP promotion	15,000
Agriculture	
Mower	30,000
Recreation & Parks	
Buildings	128,000
Total	4,491,245

Assessment Base

Assessment Class	2017 Assessment for 2018 Tax Year (\$)	2018 Assessment for 2019 Tax Year (\$)
Farmland	114,205,420	114,193,900
Residential	623,505,820	622,214,530
Non-Residential	79,019,670	78,465,710
Non-Residential (DIP *)	22,343,220	21,916,270
Linear (DIP *)	280,404,070	280,404,070
Railway (DIP *)	25,909,410	25,909,410
Mach & Eqpment	3,240,360	3,246,300
Mach & Eqpment (DIP)	83,982,050	81,194,750
Grants-in-Lieu	208,720	1,348,960
TOTAL	1,232,818,740	1,228,893,900

Assessment is estimated as of October 31. Assessment will be finalized by Feb 28/19.

Minister's announcement re: AYMs may impact linear and railway assessments.

Change in GIL reflects sale of Viking (highway) transportation shop to Provincial Government.

* DIP is Designated Industrial Property which is now being assessed by the Provincial Government

Tax Levy Requirement and Impact on Mill Rate

- ▶ Interim budget requires tax levy of \$13,541,335
- ▶ Estimated 2019 assessment base is \$1,228,893,900, which is lower than 2018
- ▶ To compensate for loss in assessment, mill rate would increase by 0.46% (even if budget did not change)
- ▶ To raise the tax levy required for the interim budget, 1.6% increase in mill rate is required
- ▶ MGA requires maximum 5:1 tax ratio between non-residential and residential. County's ratio is 4:1.

Other Considerations

- ▶ Implications of ICF process
- ▶ Other SSF requests (rec & libraries)
- ▶ Additional gravel to repair roads
- ▶ Uncertainty re: replacement of MSI grant
- ▶ Minister's assessment regulation changes (e.g. AYMs)
- ▶ Other?

Next Steps

- ▶ Interim budget to be approved at December Council meeting
- ▶ Council to be advised once AYMs are announced
- ▶ 3rd draft budget to be presented in the Spring
- ▶ Final budget to be approved in April 2019