



2021 BUDGET

1st Draft

December 2, 2020



Agenda

- ▶ Assessment Base
- ▶ 2021 Budget Highlights
- ▶ Summary of Changes Since 2020
- ▶ 2021 Budget Summary
- ▶ Claystone Waste Grant
- ▶ MSI Capital and FGT Grants
- ▶ Reserve Schedule
- ▶ Shared Services Grants
- ▶ Priority-Based Budgeting
- ▶ Proposed Small Business Mill Rate
- ▶ Next Steps

ASSESSMENT BASE

County's assessment base for 2021 taxes will be lower than in 2020 by approximately \$17 million (1.4%) (refer to page 5). This is a best-estimate at this time and reflects the following changes:

- Farmland and residential assessments will change very little
- Shallow gas well assessment has been permanently reduced by 35%
- Assessment for low producing wells will be depreciated by 7%
- No new well or pipeline assessment will be realized for 3 years due to Provincial Government policy to extend a tax break to oil and gas industry
- AYMs for linear assessment will increase a minimal amount
- A “functional obsolescence” factor will be applied to buildings and structures related to machinery and equipment assessment. Expect to lose \$80,700 in taxes.

ASSESSMENT BASE (con't)

A final assessment base will be known by March 1, 2021.

The Provincial Government is committed to completing the assessment model review over the next three years, so the County's assessment base may face further declines in subsequent years.



Assessment Base

Assessment Class	Asst for 2020 Tax Year	Asst for 2021 Tax Year	Asst for 2022 Tax Year	Asst for 2023 Tax Year	Asst for 2024 Tax Year	Asst for 2025 Tax Year
Farmland	114,162,670	114,529,520	114,529,520	114,529,520	114,529,520	114,529,520
Residential	628,777,650	630,931,750	633,602,000	636,171,630	638,731,450	641,306,620
Non-Residential	116,265,470	81,864,000	82,000,000	83,500,000	85,000,000	86,500,000
Small Business (proposed for 2021)		32,409,630	33,000,000	34,000,000	35,000,000	36,000,000
Linear	296,197,480	281,261,180	280,000,000	280,000,000	280,000,000	234,921,890
Machinery & Equipment	77,816,490	75,000,000	70,000,000	65,000,000	70,000,000	70,000,000
Grants-in-Lieu (Non-Residential)	1,382,610	1,484,870	1,484,870	1,484,870	1,484,870	1,484,870
TOTAL	1,234,602,370	1,217,480,950	1,214,616,390	1,214,686,020	1,224,745,840	1,184,742,900
Change from prior year		(17,121,420)	(2,864,560)	69,630	10,059,820	(40,002,940)

BUDGET HIGHLIGHTS

COUNCIL

	<u>2021</u>	<u>2020</u>
Expenses	\$279,244	\$311,019
Revenue (all sources)	<u>(0)</u>	<u>(0)</u>
Tax Levy Requirement	\$279,244	\$311,019

Cost-Cutting Measures and/or PBB Principles

- 0% increase in Councillor remuneration rates
- Reduced # of meetings, conferences, and travel (largely due to COVID-19)

BUDGET HIGHLIGHTS

ADMINISTRATION

	<u>2021</u>	<u>2020</u>
Expenses	\$2,971,168	\$2,324,356
Revenue (all sources)	<u>(1,444,670)</u>	<u>(1,031,280)</u>
Tax Levy Requirement	\$1,526,498	\$1,293,076

Cost-Cutting Measures and/or PBB Principles

- Assistant assessor position left vacant
- Discontinue assessment contract for M & E assessment (will be conducted in-house)
- Fewer promotional materials
- Maintain reduced Community Support Grant budget (\$75,000)



BUDGET HIGHLIGHTS

ADMINISTRATION (con't)

	<u>2021</u>	<u>2020</u>
Expenses *	\$2,971,168	\$2,324,356
Revenue (all sources) *	<u>(1,444,670)</u>	<u>(1,031,280)</u>
Tax Levy Requirement	\$1,526,498	\$1,293,076

Other Information

- Loss of investment revenue due to lower interest rates
- Contract to Provincial Government for DIP assessment extended to 2021 (i.e. increased revenue - \$117,310)
- Increased audit expense due to new financial statement requirements related to Claystone Waste
- Contract for farmland polygons (assessment-related)
- **COVID preparedness projects (funded by grant)**
- Municipal intern (May to December)
- NEW to 2021 – budget for municipal election (\$21,405)

*** Included in the budget is \$602,934 for COVID preparedness projects (funded by grant)**

BUDGET HIGHLIGHTS

MAJOR FINANCIAL TRANSACTIONS

	<u>2021</u>	<u>2020</u>
Expenses	\$2,555,436	\$3,881,263
Revenue (all sources)	<u>(1,137,821)</u>	<u>(2,547,158)</u>
Tax Levy Requirement	\$1,417,615	\$1,334,105

Other Information

- Includes Allowance for Doubtful Accounts. Estimating 15% uncollectible rate in 2021 which will be funded by the Claystone Waste grant and taxes.
- Includes Business Incentive Grant. Year 2 for one business, Year 3 for one business. Deferred transfer of taxes to road construction reserve (re: east end road project).
- NEW to 2021, includes Beaver Foundation debenture payment (reimbursed by Beaver Foundation) which was not included in previous budgets

BUDGET HIGHLIGHTS

COMMUNITY PEACE OFFICE and ANIMAL CONTROL

	<u>2021</u>	<u>2020</u>
Expenses	\$536,620	\$440,294
Revenue (all sources)	<u>(68,000)</u>	<u>(52,200)</u>
Tax Levy Requirement	\$ 468,620	\$388,094

- Provincial Government retains 40% of fine revenue (was 27%)
- Enhanced authority for Community Peace Officers (jurisdiction now includes primary highways)
- Year 2 of new rural RCMP cost-sharing model. Cost increases to \$191,566 (\$87,137 increase). Increase over 2020 represents 0.07% increase in mill rate (will be absorbed in budget)
- Implementing mandatory e-ticketing system (expense = \$18,000 for both officers). This is a Provincial requirement which is funded 100% by the County.

BUDGET HIGHLIGHTS

REGIONAL FIRE SERVICES/EMERGENCY MANAGEMENT

	<u>2021</u>	<u>2020</u>
Expenses	\$849,358	\$849,358
Revenue (all sources)	<u>(0)</u>	<u>(0)</u>
Tax Levy Requirement	\$849,358	\$849,358

Cost-Cutting Measures and/or PBB Principles

- Grant to BESC at 2020 level



BUDGET HIGHLIGHTS

PUBLIC WORKS DIRECTORS' OFFICE AND CAPITAL

	<u>2021</u>	<u>2020</u>
Expenses	\$3,091,801	\$2,790,130
Revenue (all sources)	<u>(1,198,658)</u>	<u>(940,535)</u>
Tax Levy Requirement	\$1,893,143	\$1,849,595

- Insurance premiums expected to increase 15%
- Planned purchases:
 - ✓ 1 grader replacement (extended warranty will be purchased in lieu of a 2nd grader)
 - ✓ Construction grader
 - ✓ Backhoe
 - ✓ Thumb for trackhoe
 - ✓ Plow truck
 - ✓ 2 pick-up trucks
 - ✓ Exhaust fan for Shop (H & S)

BUDGET HIGHLIGHTS

PUBLIC WORKS GRADER OPERATIONS

	<u>2021</u>	<u>2020</u>
Expenses	\$2,020,026	\$1,987,015
Revenue (all sources)	<u>(6,000)</u>	<u>(36,000)</u>
Tax Levy Requirement	\$2,014,026	\$1,951,015

- Maintain 2600± km gravel, oiled, and paved roads
- Clear driveways (2020 YTD = 300+ requests)
- Provide limited road maintenance to Tofield and Viking
- Ryley grader shed improvements (e.g. washroom)

BUDGET HIGHLIGHTS

PUBLIC WORKS ROAD CONSTRUCTION

	<u>2021</u>	<u>2020</u>
Expenses	\$3,534,354	\$3,172,994
Revenue (all sources) *	<u>(3,534,354)</u>	<u>(3,172,994)</u>
Tax Levy Requirement	\$ 0	\$ 0

Other Information

- 1 crew of 6 employees
- Apply hard surface (terracem) to 6 miles plus east end road project
 - ✓ RR 202 (2 miles)
 - ✓ TWP 512 (4 miles)
 - ✓ RR 132 (east end road project) (1 mile)
 - ✓ TWP 480 (east end road project) (1/2 mile)
 - ✓ RR 132 cement and chip repairs on east end road project (1/4 mile)
 - ✓ TWP 482 cement and chip repairs on east end road project (1/4 mile)
- Road oiling
- Replace bridge at NW 8-48-15-W4 (RR 155 south of TR 482)
- Shoulder pulls (\$701,922 MSP grant)

*** NOTE: Road construction is funded entirely by grants (MSI and FGT). It is expected that the MSI grant will be decreased in 2021 however no details have been released.**

BUDGET HIGHLIGHTS

PUBLIC WORKS ROAD MAINTENANCE

	<u>2021</u>	<u>2020</u>
Expenses	\$8,466,069	\$7,290,638
Revenue (all sources)	<u>(5,307,205)</u>	<u>(3,244,058)</u>
Tax Levy Requirement	\$3,158,864	\$4,046,580

Cost-Cutting Measures and/or PBB Principles

- Gravel supply cost decreased 28% compared to 2020
- Gravel haul cost decreased 32% compared to 2020
- Gravel pit reclamation – Phase I (opportunity to extract gravel while reclaiming pit and cost lower than anticipated)

Other Information

- Spot repairs and oil patching
- Maintain 5000± culverts, including approach culverts
- Replace 80± culverts annually
- Maintain 135± bridges and bridge-sized culverts
- Replacing sidewalks in Bruce

BUDGET HIGHLIGHTS

WEST END TRUCK FILL

	<u>2021</u>	<u>2020</u>
Expenses	\$65,000	\$73,000
Revenue (all sources)	<u>(65,000)</u>	<u>(73,000)</u>
Tax Levy Requirement	\$ 0	\$ 0

- Lease west end truck fill to Highway 14 Regional Water Services Commission
- Lease expires in 2025

BUDGET HIGHLIGHTS

HAMLET SEWAGE SYSTEMS

	<u>2021</u>	<u>2020</u>
Expenses	\$54,760	\$57,339
Revenue (all sources)	<u>(22,169)</u>	<u>(24,669)</u>
Tax Levy Requirement	\$32,591	\$32,670

- 100 users in Bruce and Kinsella
- Provide 40 hours cost-free sewage system monitoring to Village of Holden
- Installing alarm system for pump at Kinsella Lift Station

BUDGET HIGHLIGHTS

WASTE DISPOSAL

	<u>2021</u>	<u>2020</u>
Expenses	\$39,560	\$36,320
Revenue (all sources)	<u>(38,860)</u>	<u>(35,620)</u>
Tax Levy Requirement	\$ 700	\$ 700

- Provide waste disposal in Hamlet of Bruce via contract with Claystone Waste
- Waste bin benefit area near Ryley landfill (pay residents' monthly fees).
2020 subscribers = 48.

BUDGET HIGHLIGHTS

SOCIAL SUPPORT and ADULT LITERACY SERVICES

	<u>2021</u>	<u>2020</u>
Expenses	\$284,964	\$282,398
Revenue (all sources)	<u>(147,338)</u>	<u>(164,772)</u>
Tax Levy Requirement	\$137,626	\$117,626

Cost-Cutting Measures and/or PBB Principles

- Tofield FCSS budget remains unchanged from 2020 (Viking request not received to date)

Other Information

- Provide financial assistance to Tofield/Beaver County West and Viking/Beaver FCSS
- Provide financial assistance to Tofield and Viking Health Foundations
- Host Community Adult Learning Program

BUDGET HIGHLIGHTS

PLANNING & ECONOMIC DEVELOPMENT

	<u>2021</u>	<u>2020</u>
Expenses	\$332,289	\$335,452
Revenue (all sources)	<u>(215,092)</u>	<u>(228,172)</u>
Tax Levy Requirement	\$117,197	\$107,280

Cost-Cutting Measures and/or PBB Principles

- Service EIP (NW 3) with water and power to enable sale of lots
- Finalize grader shed subdivision in Viking/Beaver Business Park

Other Information

- Retain 33% of revenue generated from safety codes application fees
- Process 70 development and 15 subdivision applications per year
- Equity Industrial Park promotions/marketing (lots listed with realtor)

BUDGET HIGHLIGHTS

AGRICULTURE

	<u>2021</u>	<u>2020</u>
Expenses	\$849,193	\$941,872
Revenue (all sources)	<u>(142,100)</u>	<u>(193,851)</u>
Tax Levy Requirement	\$707,093	\$748,021

Cost-Cutting Measures and/or PBB Principles

- Roadside mowing only in west end, and on hard-surfaced roadsides throughout balance of County
- Contract flood control (beaver control for County-related infrastructure only)
- Fund various grants from Claystone Waste Grant
- No capital expenditures in 2021
- 1000 miles of weed control reduced number of roadside spray crews to one
- Reduced number of seasonal staff (will re-allocate staff to programs as needed)

BUDGET HIGHLIGHTS

AGRICULTURE (con't)

	<u>2021</u>	<u>2020</u>
Expenses	\$849,193	\$941,872
Revenue (all sources)	<u>(142,100)</u>	<u>(193,851)</u>
Tax Levy Requirement	\$707,093	\$748,021

Other Information

- Roadside brushing in Divisions 3, 4, and 5
- Roadside seeding as required
- Weed and pest inspections will require designation of additional weed inspector in 2021
- Offer extension programs to agricultural community
- Beaver control incentive
- Grant to Seed Cleaning Plant – NOTE: MOU expired in 2019; renewed through budget in 2020, and now needs to be considered for future

BUDGET HIGHLIGHTS

RECREATION, PARKS, AND CULTURE

	<u>2021</u>	<u>2020</u>
Expenses	\$878,651	\$927,965
Revenue (all sources)	<u>(312,500)</u>	<u>(310,000)</u>
Tax Levy Requirement	\$566,151	\$617,965

Cost-Cutting Measures and/or PBB Principles

- Conducting public survey and exploring sublease arrangement for operation of Black Nugget Lake and Camp Lake campgrounds

Other Information

- Grants to urban municipalities, Agricultural Societies, and libraries for shared services
- Lease Paragon Theatre to local performing arts organization (Village of Holden provides \$2500 grant to County)
- Member of Northern Lights Library System

BUDGET HIGHLIGHTS

OTHER

- Change in structure from BMS to Claystone Waste increases taxable assessment for landfill and transfer stations
- Claystone Waste grant increases by \$331,776 in 2021
- 0% increase in union and non-union staff salary ranges
- Employee benefit costs reduced from 22% to 18%
- Anticipate better tax collection rate (85%). Uncollectible taxes estimated at \$1.975 million.
- Business Incentive Grant (Year 2 for one business, Year 3 for one business)
- Defer road construction recovery transfer (re: east end road development)
- County carries loan for Beaver Foundation through ACFA. Beaver Foundation reimburses.
- Proposing a new small business mill rate at 75% of non-residential mill rate. Criteria have yet to be approved by Council.

SUMMARY OF CHANGES SINCE 2020 BUDGET

	Expense	Operating Revenue	Reserves	Grants & Other	Taxes
2020 Budget	25,701,413	2,130,750	5,118,358	4,805,201	13,647,104
<i>Budget Changes in 2021:</i>					
Reduced manpower costs (all depts)	(208,191)	(328)	(82,500)		(125,363)
Fewer Council mtgs/travel re: COVID	(31,775)				(31,775)
Increased penalties on unpaid taxes		20,000			(20,000)
Lower investment interest rates		(100,000)			100,000
Municipal intern	53,347			28,666	24,681
Continuation of DIP contract		17,310			(17,310)
Reduction of promotional material	(10,000)				(10,000)
Increase audit fees re: Claystone F/S	10,000				10,000
No PBB consultant	(13,600)			(13,600)	0
No contract assessor	(91,234)				(91,234)
Admin capital purchase adj (farmland polygons in 2021)	(65,000)		(25,000)	(40,000)	0
COVID-19 preparations	602,934			602,934	0
					Continued →

SUMMARY OF CHANGES SINCE 2020 BUDGET

	Expense	Operating Revenue	Reserves	Grants & Other	Taxes
Investment interest to reserve	200,000				200,000
Lower rate of uncollectable taxes	(1,425,000)		(1,596,184)	(74,572)	245,756
Business Incentive Grants	(162,246)				(162,246)
Prev. unrecorded Bvr Fdn loan	261,419	261,419			0
Municipal election	21,405	2,700			18,705
Year 2 RCMP cost-sharing contrib.	87,137				87,137
New CPO e-ticketing system	18,000		18,000		0
PW capital purchases	243,189	(7,270)	55,459	195,000	0
Ryley grader shed improvements	74,999				74,999
Shoulder pulls project	701,922			701,922	0
Fewer bridge projects	(151,888)			(198,388)	46,500
Finish east end road construction	(142,174)	(32,458)	(94,782)		(14,934)
Gravel pit reclamation	1,167,711	91,936	1,167,711		(91,936)
Gravel crush/supply/haul	(1,321,081)		(500,000)		(821,081)
					Continued →

SUMMARY OF CHANGES SINCE 2020 BUDGET (con't)

	Expense	Operating Revenue	Reserves	Grants & Other	Taxes
Salt/sand (mix in yard)	(20,000)				(20,000)
Gravel crushing in reclaimed pit	1,329,000		1,329,000		0
Sidewalk replacement (Bruce)	50,000				50,000
Health Fdn grants funded from taxes				(20,000)	20,000
Fewer dev't and subd applications	(16,460)	(29,940)			13,480
EIP lot leases expire		(47,560)			47,560
Industrial Parks servicing	25,000		44,000	(19,500)	500
Reduced Ag shop repairs	(10,500)				(10,500)
Beaver control incentive	10,000				10,000
Reduced Ag Dept reserve req'r	(36,000)				(36,000)
Ag grants funded from taxes				(51,751)	51,751
Recreation shared services grants	(1,877)			(2,500)	623
Campground user fee increase		85,000			(85,000)
Reduced campground expenses	(12,000)				(12,000)
BMS grant not used for campground				(80,000)	80,000
					Continued →

SUMMARY OF CHANGES SINCE 2020 BUDGET (con't)

	Expense	Operating Revenue	Reserves	Grants & Other	Taxes
Reduced campground reserve req'r	(35,000)				(35,000)
No major Paragon Theatre repairs	(11,000)				(11,000)
Library shared services grants	10,094				10,094
Other minor adjustments:					
Administration	(12,187)	(4,980)		(80)	(7,127)
Public Safety	(1,847)	(2,200)			353
Public Works	44,042				44,042
Utilities (Water/Sewer/Waste)	(6,517)	(8,000)	(2,500)	3,240	743
Adult Learning Program	2,566			2,566	0
Planning & Development	(7,700)	(2,312)		(5,000)	(388)
Agriculture	(12,877)				(12,877)
Recreation	227				227
Culture	242	2,500		(2,500)	242
1st Draft 2021 Budget	26,808,493	2,376,567	5,431,562	5,831,638	13,168,726

2021 BUDGET SUMMARY

Service	Gross Expense 2021	Operating Revenue 2021	Reserve Revenue 2021	Grants & Other Revenue 2021	Tax Levy 2021	2020 Forecast	2020 Gross Expense	2020 Tax Levy	Gross Expense 2021-2020	Tax Levy 2021-2020
Council	279,244				279,244	241,700	311,019	311,019	-31,775	-31,775
Administration	2,971,168	503,150		941,520	1,526,498	2,222,385	2,324,356	1,293,076	646,812	233,422
Financial	2,555,436	261,419	165,440	710,962	1,417,615	3,881,263	3,881,263	1,334,105	-1,325,827	83,510
Public Safety	525,870	50,000	18,000	0	457,870	385,654	429,294	377,094	96,575	80,775
Fire Protection	849,358				849,358	849,358	849,358	849,358	0	0
Animal Control	10,750				10,750	10,600	11,000	11,000	-250	-250
PW (DO)	3,091,801	598,658	125,000	475,000	1,893,143	2,774,330	2,790,130	1,849,595	301,671	43,548
PW (GO)	2,020,026	6,000			2,014,026	1,837,372	1,987,015	1,951,015	33,012	63,012
PW (RC)	3,534,354	244,143	488,289	2,801,922	0	2,616,753	3,172,994	0	361,359	0
PW (RM)	8,466,069	211,936	4,496,711	598,558	3,158,864	7,185,942	7,290,638	4,046,580	1,175,431	-887,716
Water	65,000	65,000	0	0	0	73,000	73,000	0	-8,000	0
Sewer	54,760	17,169	5,000		32,591	50,506	57,339	32,670	-2,579	-79
Waste Mgt	39,560	4,300		34,560	700	20,000	36,320	700	3,240	0
FCSS	137,626				137,626	135,776	137,626	117,626	0	20,000
CALP	147,338	6,100		141,238	0	144,772	144,772	0	2,566	0
Plan & Dev	332,289	76,092	133,122	5,878	117,197	211,305	335,452	107,280	-3,163	9,917
Agriculture	849,193	20,100		122,000	707,093	809,241	941,872	748,021	-92,679	-40,928
Rec & Parks	620,645	310,000			310,645	603,510	669,295	361,795	-48,650	-51,150
Culture	258,006	2,500			255,506	258,820	258,670	256,170	-664	-664
Grand Total	26,808,493	2,376,567	5,431,562	5,831,638	13,168,726	24,312,287	25,701,413	13,647,104	1,107,079	-478,378

CLAYSTONE WASTE GRANT

2021 Source and Use of Funds	
Estimated Balance, December 31, 2020	1,587,973
Grant expected in 2021	1,429,247
Available for 2021	3,017,220
Budgeted Expenditures	
Allowance for uncollectible taxes	(876,402)
Community support grants	(75,000)
Waste bin benefit (expanded program)	(34,560)
EIP promotions	(5,878)
COVID-19 projects	(602,934)
Total	(1,594,774)
Available for Future Years	1,422,446

MSI CAPITAL & FGT GRANTS

2021 Source and Use of Funds		
	MSI Capital	FGT
Estimated Carry-Over from 2020	383,819	242,268
Grants expected in 2021	1,436,386	325,000
Available for 2021	1,820,205	567,268
Expenditures		
Equipment	(475,000)	
Road construction	(1,175,000)	(325,000)
Farmland Polygons	(30,000)	
Bridges		(150,000)
Total Expenditures	(1,680,000)	(475,000)
Available for Future Years	140,205	92,268

Administration does NOT recommend that Council allocate the unused MSI Capital in the 2020 budget. Although it is expected that the MSI Capital grant will be decreased in 2021, the impact is unknown at this time.

RESERVE SCHEDULE

	Estimated Dec 31/20 Balance	Budgeted Transfers In	Budgeted Transfers Out	Estimated Dec 31/21 Balance
Administration & CPO	2,170,933	45,250	(183,440)	2,032,743
Public Works	4,888,644	4,299,895	(3,942,289)	5,246,250
Water & Sewer	415,323	65,000	(5,000)	475,323
Planning & Industrial Parks	946,768		(133,122)	813,646
Agriculture	237,529	30,000		267,529
Recreation	120,765			120,765
Contingency	0	200,000		200,000
Legislated Reserves	163,281			163,281
Total	8,943,243	4,640,145	(4,263,851)	9,319,537
<i>Gravel Reclamation Fund *</i>	<i>2,077,783</i>		<i>(1,167,711)</i>	<i>910,072</i>

* The auditors classify the Gravel Reclamation Fund as a liability (accounts payable) and not as a reserve. The Gravel Reclamation Fund is excluded from the total amount of the reserves.

SHARED SERVICES GRANTS

- Not all partners have submitted shared services budget requests for 2021
- Library shared services budget requests have increased by \$10,094 because the prior year's budget reflected Council's decision to freeze funding at 2019 levels
- 2021 budget currently includes a best estimate of grants, but is likely not sufficient
- Administration recommends that Council discuss level of 2021 funding prior to finalizing the budget (Closed Session)



PRIORITY-BASED BUDGETING

Administration strongly recommends that Council dedicate time to work on Priority-Based Budgeting over the next few months. Staff and financial resources continue to be reduced and there is no relief in sight. In fact, administration expects that the assessment model review will place an even greater strain on our resources. When the non-residential assessment base declines, the residential assessment base must pick up the burden unless new revenue sources are discovered or significant adjustments are made to levels of service.

For example, the following service areas will be brought forward for discussion:

Council

- Change Council remuneration to salary. Budget becomes fixed and known in advance. Payroll effort is reduced.
- Establish travel/expense/conference budget for each Councillor. Set maximum. Budget becomes fixed and finite.
- Establish a sponsorship budget for each Councillor (e.g. door prizes, promotional items). Budget becomes fixed and finite.

PRIORITY-BASED BUDGETING

Finance & Administration

- *Replace phone system with direct lines to staff. Efficiency in response for residents/clients, savings in staff time, and enables staff to work from home. Will be implemented in next few weeks. (NOTE: this item was advanced due to COVID-19)*
- Temporarily suspend Business Incentive Grant (for new businesses)
- Reduce/eliminate grants to organizations (savings up to \$75,000)
- Reduce A/P cheque run from two/month to one/month. Savings in staff time and Reeve's time.
- Increase non-residential mill rate to maximum allowed by Provincial law (ratio of 5:1 non-residential to residential). Current ratio is 4:1.

Items in red italicized type are being implemented in 2020



PRIORITY-BASED BUDGETING

Staff/Health & Safety

- *Reduce staff events (savings in expenses and staff time) (NOTE: this item was advanced due to COVID-19)*
- *Reduce conference attendance/travel (NOTE: this item was advanced due to COVID-19)*
- Reduce number of H & S auditors from 3 to 2

Community Development

- *Reduce participation in community events (NOTE: this item was advanced due to COVID-19)*

Items in red italicized type are being implemented in 2020



PRIORITY-BASED BUDGETING

Protective Services

- Extend vehicle replacement schedule
- *Consider contracted services to urban neighbours and/or Claystone Waste (currently exploring business case for Beaver/Viking/Claystone opportunity)*

Public Works and Transportation

- *Extend replacement schedule for all vehicles and equipment*
- Defer construction of salt/sand shed
- Restrict overtime (road maintenance). This may result in hiring more spare operators to reduce 1.5x overtime pay.
- Eliminate driveway clearing program (savings ~\$6000)

Items in red italicized type are being implemented in 2020



PRIORITY-BASED BUDGETING

Public Works and Transportation (con't)

- Reduce amount of gravel placed on roads. Current Beaver County standard is 240 tonnes/mile. Many Counties spread at rate of 200 tonnes/mile.
- Reduce number of roads gravelled. Value of 1 mile is approx. \$5700.
- Reduce/eliminate maintenance of machinery roads
- Reclassify some local roads to machinery roads (e.g. roads that serve no residences, are not bus routes, or only serve oil/gas installations)
- Reduce/discontinue road construction (savings up to \$1,500,000 annually)
- Contract road construction. If current program remains at current level, there are no savings; if program is reduced, it may be more economical to contract.
- Discontinue subsidy of approach construction (savings ~\$24,000 in 2019)
- *Gravel pit mining/reclamation. In 2020, taking advantage of downturn in economy to combine pit reclamation with gravel crushing.*
- Increase user fees (e.g. sewer)

Items in red italicized type are being implemented in 2020

PRIORITY-BASED BUDGETING

Agriculture

- *Reduce/cancel back-sloping (savings of \$2500 per day per project)*
- *Increase user fees (e.g. custom spraying, etc.)*
- *Reduce mulching to winter only (savings ~ \$57,000)*
- Contract roadside mowing. Current level of service is mowing of 2 divisions/year. It may be more economical to contract and sell mowers.
2021
- *Reduce/eliminate ag-related grants (e.g. BRRG, watersheds, etc.) (savings up to \$20,000)*
- *Reduce/eliminate Seed Cleaning Plant grant (savings up to \$30,000)*

Items in green italicized type are suggested considerations for 2021

PRIORITY-BASED BUDGETING

Recreation

- Reduce level of service at campgrounds. Public survey is in circulation.
- Operate campgrounds by sublease vs contract (savings in staff time)



PROPOSED SMALL BUSINESS MILL RATE

- The *Municipal Government Act* enables Council to levy a lower mill rate for small businesses
- Criteria include:
 - Must possess business license (or equivalent)*
 - Fewer than 50 full-time employees across Canada (or lesser number as determined by Council)*
- Small business mill rate cannot be less than 75% of the non-residential mill rate
- Administration estimates that small business mill rate will result in loss of taxes of \$145,000 in 2021

NEXT STEPS

- ▶ Administration requests Council's direction regarding changes to the 1st draft budget
- ▶ Administration requests Council discussion regarding proposed small business mill rate
- ▶ Interim budget will be presented at December 16 Council meeting for approval
- ▶ 5-year financial plan will be presented to Council in December
- ▶ To meet legislated requirements, Council must approve an interim budget before December 31, 2020