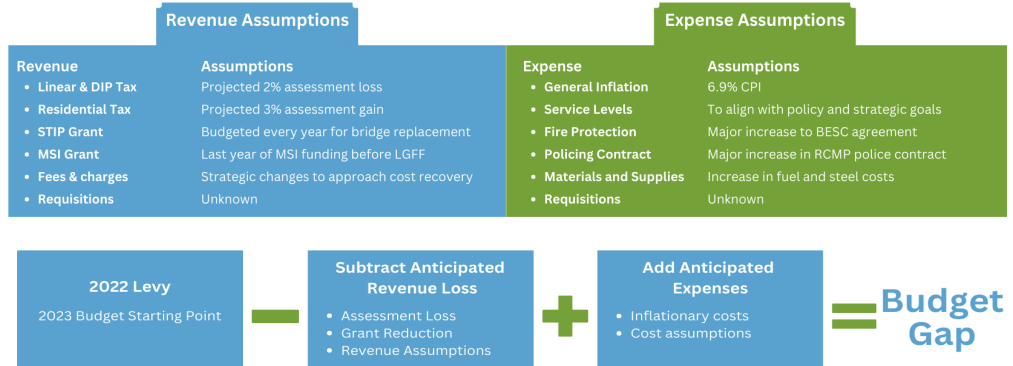




# 2023 Proposed Budget

## Budget Development

During budget development, the County uses the following formula to determine a budgetary shortfall known as a “gap”. Budget assumptions are educated predictions and analysis of major changes to either revenue or expenses. Some of the predictions are listed in the chart to the right.



## Financial Challenges

### Assessment Loss & Limited Diversified Economic Development

Major loss in non-residential assessment has created significant revenue loss over the last few years. In order to recover from the decline in gas assessment revenue, the County will need to focus on diversified industries and development. Industry development is essential to keeping the tax burden low for residential and farmland rate payers. It is important we work together to encourage development in our community.

### Grant Reductions

Provincial grants are the second highest revenue source for budgeting. The Province has replaced the MSI grant with a new one called *Local Government Fiscal Framework (LGFF)*. The criteria is still uncertain and may force all Alberta municipalities to potentially work with significantly less funding by 2024.

### Increasing Inflationary Costs

Administration has been diligently cutting expenses for short-term gains but that will not solve a long-term revenue issue and increasing inflationary costs. Like your household, the County has many fixed costs but on a much larger scale.

### Fixed Costs

#### Your Household

Mortgage payment  
Home insurance  
Health benefits  
Taxes  
Internet / cable bills  
Loans / lease payments  
Vehicle insurance  
Bank service fees  
Life / disability payments  
Utilities

#### Your Municipality

Debt / interest payments  
Property insurance  
Employee benefits  
Requisitions  
Telecommunication bills  
Rentals / leases  
Vehicle insurance  
Bank service fees  
Salaries & wages  
Utilities

## Understanding Municipal Taxation

(excluding school & senior housing tax)

The 2023 Proposed Budget is recommending a **3.55%** increase to continue to provide the quality of service to Beaver County.

Tax Generation (Tax Levy Pool)	Expense Comparison
1% tax rate increase = \$143,000 added	2 mile Re-Chip = \$120,000
3% tax rate increase = \$429,000 added	2 mile Terracem = \$500,000
5% tax rate increase = \$715,000 added	1 Grader = \$660,000
10% tax rate increase = \$1,430,000 added	500 miles of gravelling = \$2,500,000

Tax Levy is the amount of taxes generated by a rate increase in each assessment category. For comparison, the chart above outlines approximately how much tax generation occurs on the average assessment against some of the major expenditures in operations.



Based on an average assessment of **\$316,000**, the average residential property tax bill will increase by approx. **\$4/per month**.



Based on an average assessment of **\$21,000**, the average farmland property tax bill will increase by approx. **\$1/per month**.

## What's Next?

Council will deliberate the 2023 Proposed Budget at December 7-9 Special Council meetings. For direct information on the budget, please read our E-Binder on the Beaver County website at <https://www.beaver.ab.ca/council/financials/budget-2023>.