

2014 Proposed Revised Budget Summary

07-May-14

OPERATING BUDGET

| DESCRIPTION | 2012 APPROVED BUDGET | 2013 APPROVED BUDGET | 2014 BUDGET PRELIMINARY | 2014 BUDGET REVISIONS | REVISION VS PRELIMINARY |
|-----------------------------------|-------------------------|-------------------------|----------------------------|--------------------------|----------------------------|
| Legislative | 326,680 | 376,255 | 392,015 | 395,015 | 3,000 |
| Administration | 2,080,160 | 2,217,875 | 2,241,795 | 2,262,795 | 21,000 |
| Peace Officers | 207,530 | 199,575 | 207,265 | 208,115 | 850 |
| Fire Protection | 404,900 | 444,650 | 469,600 | 469,600 | 0 |
| Disaster Services | 9,200 | 16,825 | 16,145 | 16,145 | 0 |
| Health & Safety | 172,255 | 188,300 | 195,100 | 195,100 | 0 |
| Public Works | 7,095,309 | 7,237,694 | 7,991,424 | 8,140,039 | 148,615 |
| Airport Transportation | 20,000 | 71,150 | 99,000 | 102,500 | 3,500 |
| Waste Disposal | 0 | 2,000 | 2,000 | 2,500 | 500 |
| F.F.C.S. | 281,602 | 88,830 | 33,500 | 33,500 | 0 |
| Public Health | 202,000 | 20,000 | 167,000 | 167,000 | 0 |
| Environment (ASB) | 682,300 | 688,900 | 847,800 | 849,300 | 1,500 |
| Economic Development | 162,550 | 185,650 | 342,500 | 342,500 | 0 |
| Planning | 81,125 | 82,110 | 99,500 | 99,500 | 0 |
| Parks | 48,050 | 66,700 | 95,800 | 101,300 | 5,500 |
| Recreation | 515,750 | 580,900 | 877,000 | 899,395 | 22,395 |
| Culture | 163,000 | 113,620 | 219,500 | 165,655 | -53,845 |
| Taxes, Grants, Revenue Own Source | -310,000 | -335,000 | -347,500 | -427,500 | -80,000 |
| TOTAL OPERATING | \$12,142,411 | \$12,246,034 | \$13,949,444 | \$14,022,459 | \$73,015 |

CAPITAL, INVENTORY, GRANTS, RESERVES

| | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|-----------------|
| Transfer from MSI Capital Grant | -1,850,000 | -1,023,557 | 0 | -376,890 | -376,890 |
| Federal Gas Tax Grant (2013) | -276,632 | -775,780 | 0 | 0 | 0 |
| Sale of Equipment | -988,900 | -709,450 | -691,478 | -758,878 | -67,400 |
| Transfer from Reserves Operating | | | -404,685 | -425,195 | -20,510 |
| Transfers To/From Reserves | -2,219,090 | 790,700 | -970,530 | -997,205 | -26,675 |
| Capital - Equipment/Vehicles | 2,793,777 | 2,361,854 | 2,477,580 | 2,382,030 | -95,550 |
| Capital - Buildings/Land/Improvements | 375,000 | 204,600 | 594,990 | 777,590 | 182,600 |
| Capital - Airport | | | 133,100 | 133,100 | 0 |
| Capital - Road Construction | 2,830,495 | 3,777,337 | 3,002,040 | 3,303,715 | 301,675 |
| Capital - Road Oiling | 862,562 | 0 | 250,000 | 250,000 | 0 |
| Capital - Bridges | 107,281 | 237,000 | 150,000 | 191,500 | 41,500 |
| Capital - Gravel | 3,015,143 | 1,137,375 | 616,500 | 641,500 | 25,000 |
| Capital - Recreation | 100,000 | 100,000 | 0 | 110,390 | 110,390 |
| TOTAL CAPITAL, INVENTORY, GRANTS, RESERVES | \$4,749,636 | \$6,100,079 | \$5,157,517 | \$5,231,657 | \$74,140 |

| | | | | | |
|----------------------------|---------------------|---------------------|---------------------|---------------------|------------------|
| Total Cash Required | \$16,892,047 | \$18,346,113 | \$19,106,961 | \$19,254,116 | \$147,155 |
|----------------------------|---------------------|---------------------|---------------------|---------------------|------------------|

Non Cash Items

APPROVED

| | LIVE ASSESSMENT | Grant In Lieu ASSESSMENT | TOTAL ASSESSMENT | REQUISITION | 2014 MILL RATE | 2013 MILL RATE | % CHANGE MILL RATE |
|---------------------------------------|-----------------|--------------------------|------------------|--------------|----------------|----------------|--------------------|
| Alberta School Foundation | | | | | | | |
| Residential & Farmland | 419,126,129 | 149,380 | 419,275,509 | \$1,015,108 | 2.4211 | 2.5241 | -4.08% |
| Non Residential & Linear | 741,270,880 | 73,520 | 741,344,400 | \$2,678,700 | 3.6133 | 3.7764 | -4.32% |
| School RCSSD #49 | | | | | | | |
| Residential & Farmland | 12,613,151 | | 12,613,151 | \$30,538 | 2.4211 | 2.5241 | -4.08% |
| Non Residential & Linear | 9,488,430 | 18,350 | 9,506,780 | \$34,351 | 3.6133 | 3.7764 | -4.32% |
| Flagstaff Foundation | 1,395,787,000 | | 1,395,787,000 | \$341,871 | 0.2449 | 0.2097 | 16.79% |
| Waste Management | 1,395,787,000 | | 1,395,787,000 | \$310,286 | 0.2223 | 0.2197 | 1.18% |
| Municipal - Farmland | 165,789,060 | | 165,789,060 | \$2,504,061 | 15.1039 | 14.5223 | 4.00% |
| Municipal - Residential | 266,099,600 | 149,380 | 266,248,980 | \$1,206,987 | 4.5333 | 4.5106 | 0.50% |
| Municipal - Linear and Non Res | 963,665,780 | 83,180 | 963,748,960 | \$15,108,596 | 15.6769 | 14.9383 | 4.94% |
| Recreation | 1,395,787,000 | | 1,395,787,000 | \$425,575 | 0.3049 | 0.3049 | 0.00% |
| Minimum Tax | | | | \$8,900 | | | |
| TOTALS | | | | \$23,664,973 | | | |

| VARIOUS MILL RATES: | 2014 | | 2014 | | 2014 | | 2014 | | 2014 | |
|----------------------------|----------------------|-------------------|--------------------|-----------------|-----------------|----------------|-----------------------|--|------|--|
| | Residential Seperate | Farmland Seperate | Residential Public | Farmland Public | Non residential | Linear | Machinery & Equipment | | | |
| School Foundation | 2.4211 | 2.4211 | 2.4211 | 2.4211 | 3.6133 | 3.6133 | 0.0000 | | | |
| Flagstaff Foundation | 0.2449 | 0.2449 | 0.2449 | 0.2449 | 0.2449 | 0.2449 | 0.2449 | | | |
| Waste Management | 0.2223 | 0.2223 | 0.2223 | 0.2223 | 0.2223 | 0.2223 | 0.2223 | | | |
| Recreation | 0.3049 | 0.3049 | 0.3049 | 0.3049 | 0.3049 | 0.3049 | 0.3049 | | | |
| Municipal-General | 4.5333 | 15.1039 | 4.5333 | 15.1039 | 15.6769 | 15.6769 | 15.6769 | | | |
| 2014 RATES | 7.7265 | 18.2971 | 7.7265 | 18.2971 | 20.0623 | 20.0623 | 16.4490 | | | |
| 2013 RATES | 7.7690 | 17.7807 | 7.7690 | 17.7807 | 19.4490 | 19.4490 | 15.6726 | | | |
| Overall % Change from 2013 | -0.55% | 2.90% | -0.55% | 2.90% | 3.15% | 3.15% | 4.95% | | | |
| 2012 RATES | 7.5424 | 17.0143 | 7.5424 | 17.0143 | 18.8830 | 18.8830 | 15.0161 | | | |

| FARM LAND | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| MILLRATES | 15.684 | 16.153 | 16.153 | 16.153 | 15.2092 | 15.2142 | 15.2317 | 15.2317 | 15.2317 | 15.2317 | 15.7643 | 15.7643 | 16.3162 | 16.0977 | 16.1388 | 17.0143 | 17.7807 |

2014 PROPOSED BUDGET REVISIONS

OPERATING BUDGET

Legislative: \$395,015

Increased by \$3,000

- Strategic Planning

Administration: \$2,262,795

Increased by \$21,000

- Decreases
 - Salary/Benefits - \$42,000 change is staffing
- Increases
 - Postage – \$5,000
 - Professional Development - \$3,000
 - Software - \$25,000 – Increase in Software agreements, Increased Licenses for Call-to-Order, reallocation of IBM licenses (Financial Server)
 - Building Maintenance - \$1,000
 - Computer Services - \$10,000 (Due to changes in MicroAge agreement for Support)
 - Records Management - \$10,000 (Software and training)
 - Sundry - \$3,000
 - Retirement Banquet - \$2,000
 - Utilities - \$5,000

Peace Officers: \$208,115

Increased by \$850

- Changes in benefits.

Public Works: \$8,140,039

Increased by \$148,615

- Increases
 - Permit Fees Revenue- \$37,000 Overload Permit Fees collected by Province though TRAVIS system.
 - Permit Fees Expense - \$24,885 Payments to RoadData for administering TRAVIS overload payments.
 - Machinery Repairs - \$50,000 Replacement motor for Grader.
 - Fuel/Lube - \$100,000 Increase in fuel prices and usage.
 - Building Maintenance Shop - \$16,280 moving of parts room at shop.
 - Road Stabilization Products - \$25,000 for Gravelock, subgrade stabilization product used in Road Recovery program.
 - Equipment Rental - \$22,500 increase in rental fees for grader used during dust suppressant program.
 - Reclamation - \$5,000 for grass seeding at Hillaby Pit.
 - Bridge Repairs - \$112,000 to reflect tender results received for contract bridge repairs.
- Decreases
 - Salaries/Wages/Benefits - \$65,550 re-evaluated less over-time for snowplowing in first quarter of 2014 adjustments for gravel reclamation.

- Oil & Asphalt Products - \$60,000 there will be no top spraying of SS1 in 2014 due to elimination of oiled road inventory.
- Dust Control Product - \$36,000 reduced budget as we will not be testing Envirotac II. Application is too lengthy a process and results are not favorable. Feedback from other municipalities was negative.
- Engineering – Gravel - \$5,000 decrease as we will not be applying for reclamation certificate at Rosiechuk Pit until 2015.

AIRPORT TRANSPORTATION: \$102,500

Increased by \$3,500

- Payment to Municipalities - \$3,500 there was not sufficient funds set aside for 2013 payment of 50% of the operating budget for Airport Expenses.

Waste Management: \$2,500

Increased by \$500

- Increase due to approval of no tipping fees for spring cleanup weekend.

Agricultural Service Board: \$849,300

Increased by \$1,500

- Increases
 - Shelterbelt Revenue - \$7,500 was missed in preliminary budget.
 - Fuel/Lube - \$5,000 increase in costs.
 - Tank Loader Utilities - \$500
 - Conservation/Development - \$3,500

Parks: \$101,300

Increased by \$5,500

- Increases
 - Firewood - \$1,000
 - Parks Small Equipment - \$4,000 require second trailer for second mower.

Recreation: \$899,395

Increased by \$22,395

- Grants in programming (Lacrosse) approved by council previously.

Culture: \$165,655

Decreased by \$53,845

- Increases
 - MSI Operating Grant Revenue - \$79,645
 - Donation – Non-Profit - \$25,800 (Mennonite program) approved by council previously.

Revenue Own Sources: (\$427,500)

Increase in revenue of \$80,000 (Re-evaluated five year average upon completion of 2013 yearend)

- Penalties on Taxes - \$40,000
- Permits Oil/Gas - \$25,000
- Investments - \$15,500

TOTAL OPERATING BUDGET INCREASE = \$73,015

CAPITAL BUDGET

REVENUE:

MSI Capital Grant: (\$376,890)

Increased by \$376,890

- This budget proposes utilizing MSI Capital funds for the following projects in 2014
 - \$ 150,000 – Tank Loader
 - \$116,500 – Bridges
 - \$110,390 - Recreation

Sale of Equipment: (\$758,878)

Increased revenue by \$67,400

- Adjusted sales revenue to actual for equipment sold, did better at Ritchie Bros. sale than original budget.

EXPENDITURES:

Capital Equipment/ Vehicles: - TOTAL of \$2,382,030

Decreased by \$ 95,550

- Decrease in vehicle purchase of \$10,500 due to lower truck tenders.
- Decrease in sod mulcher purchase of \$20,000 due to low tender price.
- Core Sampler will not be purchased in 2014 decrease of \$30,000 want to do further research.
- Injection spray system for ASB will not be purchased in 2014 decrease of \$30,000. System we are interested in is currently going through hardware and software upgrades and won't be available until 2015.

Capital Building/Land Improvements: - TOTAL of \$777,590

Increased by \$182,600

- Addition of Tank Loader \$150,000
- Purchase of Land from C-A-2014 construction project south of Loughheed \$16,000.

Road Construction Assets: -Total of \$3,303,715

Increased by \$301,675

- The budget has been changed to reflect the tenders received for road construction.

Bridges: Total of \$191,500

Increased by \$41,500

- Addition of Bridge File #6625 previously approved by council.

Gravel Inventory: Total of \$641,500

Increased by \$25,000

- Reflects tenders received, previously approved by council.

Recreation: Total of \$110,390

Increased by \$110,390

- Reflects capital projects approved by council previously. (Funded through MSI Capital)

TOTAL CAPITAL BUDGET INCREASE = \$121,325

RESERVE CHANGES

Reserves: Total of \$1,422,400

Operating Reserve 2014 \$425,195: (Increase of \$20,510)

- ASB Leafy Spurge and Shelter Belt Program Utilize \$127,000
- Facility Enhancement Grant Recreation Utilize \$250,000
- Recreation Programming Utilize \$22,395 (Lacrosse Grant)
- Special Projects Utilized - \$25,800 (Mennonite Program)

Capital Reserve 2014 (\$997,205): (Increase of \$26,675)

- Road Construction Utilize \$803,715
- Administration Office Roof Utilize \$468,490
- Gravel Inventory Utilized \$25,000
- Public Works Capital \$300,000 (Raise funds for future projects)

Reserves Summary:

- Reserves to be used to fund 2014 projects – (\$1,722,400)
- Reserves to be added to fund future projects - \$300,000
- **NET CHANGE IN RESERVES** (\$1,422,400)

TOTAL PROPOSED INCREASE REVISED BUDGET = \$147,155

| | |
|---------------------------------|------------------|
| Operating Budget Increase - | \$73,015 |
| Capital Budget Increase - | \$121,325 |
| Reserve Increase - | <u>\$47,185</u> |
| Proposed Revisions Total | \$147,155 |

ASSESSMENT

The assessment has an overall increase of 1.3102% from 2013. Listed below is the comparison:

| | 2013 | 2014 | Difference | % |
|------------------|----------------------|----------------------|-------------------|----------------|
| Farmland | 165,878,170 | 165,789,060 | -89,110 | -0.0537% |
| Residential | 247,713,340 | 266,248,980 | 18,535,640 | 7.4827% |
| Non Res / Linear | 964,143,810 | 963,748,960 | -394,850 | -0.0410% |
| TOTAL | 1,377,735,320 | 1,395,787,000 | 18,051,680 | 1.3102% |

MILLRATES:

Proposed Overall Rates would increase as listed:

| CLASS | 2014 vs 2013 | 2013 vs 2012 |
|--------------------------|--------------|--------------|
| Residential | -0.55% | 3.00% |
| Farmland | 2.90% | 4.50% |
| Non Residential / Linear | 3.15% | 3.00% |
| Machinery & Equipment | 4.95% | 4.37% |

This overall increase in the rates includes the following changes:

Alberta School Foundation:

Res/Farmland decrease of 4.08% /Non Res/Linear decrease of -4.32%

Flagstaff Foundation – increase of 16.79%

Waste Management – increase of 1.18%

Municipal Farmland – increase of 4.00% (No change from budget presented in December)

Municipal Residential – increase of 0.50% (No change from budget presented in December)

Municipal Non Res/Linear – increase of 4.94% (Proposed budget in December we had estimated a 4.75% increase)