

2017 Revised Budget Summary

19-Apr-17

OPERATING BUDGET

DESCRIPTION	2016 APPROVED BUDGET	2017 BUDGET APPROVED	2017 REVISED BUDGET	BUDGET 2017 vs 2016
Legislative	388,500	402,800	404,800	2,000
Administration	2,466,370	2,582,100	2,744,250	162,150
Peace Officers	428,850	319,750	294,750	(25,000)
By-Law Enforcement	2,800	3,800	4,500	700
Fire Protection	489,300	462,050	462,050	0
Disaster Services	15,300	19,150	19,150	0
Health & Safety	244,450	238,200	238,200	0
Public Works	9,060,804	9,153,400	9,146,907	(6,493)
Airport Transportation	36,850	18,750	18,950	200
Water Supply Hamlets	(26,775)	(35,870)	(25,300)	10,570
Sanitary Sewer Hamlets	(19,700)	(62,300)	(44,500)	17,800
Waste Disposal Hamlets	5,450	(1,950)	4,200	6,150
Community Services	192,231	164,676	185,445	20,769
Public Health	144,800	87,000	87,000	0
Environment (ASB)	848,200	787,100	774,700	(12,400)
Economic Development	426,150	461,700	452,350	(9,350)
Planning and Development	203,100	163,650	163,650	0
Parks	146,050	121,500	129,500	8,000
Recreation	900,000	900,000	900,000	0
Culture	194,150	178,800	176,300	(2,500)
Revenue Own Source/Tax Bad Debt	(148,500)	143,000	88,000	(55,000)
Gas Distribution Hamlet Galahad	(19,000)	(15,800)	(15,800)	0
Transfer from Reserves Operating	(474,800)	(84,700)	(69,975)	14,725
TOTAL OPERATING	\$15,504,580	\$16,006,806	\$16,139,127	\$132,321

CAPITAL, INVENTORY, GRANTS, RESERVES

Transfer from MSI Capital Grant	(1,856,900)	(4,515,780)	(6,754,681)	2,238,901
MSI Grants Hamlets	0	(822,000)	(598,556)	(223,444)
ACP Grant Hamlets	0	(1,900,000)	(1,900,000)	0
Federal Gas Tax Grant	0	(454,000)	(528,046)	74,046
STIP Grant	0	0	(299,250)	299,250
Sale of Equipment	(307,500)	(598,650)	(598,650)	0
Transfers To/From Reserves	(370,000)	(2,355,400)	(2,506,180)	150,780
Capital - Hamlets	0	2,722,000	2,572,603	(149,397)
Capital - Equipment/Vehicles	2,174,860	2,109,568	2,109,116	(452)
Capital - Buildings/Land/Improvements	597,850	3,897,000	6,022,000	2,125,000
Capital - Airport	34,650	36,300	196,300	160,000
Capital - Road Construction	2,866,600	5,117,400	5,228,180	110,780
Capital - Pavement	0	266,438	266,438	0
Capital - Bridges	840,400	309,000	602,150	293,150
Capital - Gravel	1,240,000	941,000	941,000	0
Capital - Parks/Recreation	49,500	29,000	29,000	0
TOTAL CAPITAL, INVENTORY, GRANTS, RESERVES	\$5,269,460	4,781,876	\$4,781,424	(\$452)

Total Cash Required	\$20,774,040	\$20,788,682	\$20,920,551	\$131,869
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Non Cash Items

Depreciation Expense	\$4,086,900	\$4,450,579	\$4,450,579	\$0
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Proposed 2017- Millrates

	LIVE ASSESSMENT	Grant In Lieu ASSESSMENT	TOTAL ASSESSMENT	REQUISITION	2017 MILL RATE	2016 MILL RATE	% CHANGE MILL RATE	
Alberta School Foundation								
Residential & Farmland	482,993,628	0	482,993,628	\$1,196,279	2.4768	2.4169	2.48%	
Non Residential & Linear	653,610,885	9,890	653,620,775	\$2,656,903	4.0649	3.7423	8.62%	
School RCSSD #49								
Residential & Farmland	12,975,492	0	12,975,492	\$32,138	2.4768	2.4169	2.48%	
Non Residential & Linear	8,657,365	0	8,657,365	\$35,191	4.0649	3.7423	8.62%	
Flagstaff Foundation	1,470,869,810		1,470,869,810	\$229,506	0.1560	0.2288	-31.82%	
Waste Management	1,451,874,970		1,451,874,970	\$386,653	0.2663	0.2721	-2.13%	
Municipal - Farmland	165,746,560		165,746,560	\$2,681,779	16.1800	15.5577	4.00%	103,144.00
Municipal - Residential	330,222,560		330,222,560	\$1,549,834	4.6933	4.6468	1.00%	15,356.00
Municipal - Linear and Non Res	974,890,800	9,890	974,900,690	\$15,975,893	16.3872	16.2249	1.00%	158,226.00
Recreation	1,470,869,810		1,470,869,810	\$750,000	0.5099	0.4366	16.79%	
TOTALS				\$25,494,175				\$20,957,505

VARIOUS MILL RATES:	2017		2017		2017		
	Residential Seperate	Farmland Seperate	Residential Public	Farmland Public	Non residential	Linear	Machinery & Equipment
School Foundation	2.4768	2.4768	2.4768	2.4768	4.0649	4.0649	0.0000
Flagstaff Foundation	0.1560	0.1560	0.1560	0.1560	0.1560	0.1560	0.1560
Waste Management	0.2663	0.2663	0.2663	0.2663	0.2663	0.2663	0.2663
Recreation	0.5099	0.5099	0.5099	0.5099	0.5099	0.5099	0.5099
Municipal-General	4.6933	16.1800	4.6933	16.1800	16.3872	16.3872	16.3872
2017 RATES	8.1023	19.5890	8.1023	19.5890	21.3843	21.3843	17.3194
2016 RATES	8.0012	18.9121	8.0012	18.9121	20.9047	20.9047	17.1624
Overall % Change from 2016	1.26%	3.58%	1.26%	3.58%	2.29%	2.29%	0.91%
2015 RATES	8.1208	19.0178	8.1208	19.0178	20.9094	20.9094	17.2623

FARM LAND	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
MILLRATES	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	18.2971

2017 APPROVED BUDGET REVISIONS

OPERATING BUDGET

Legislative: \$404,800

Increased by \$2,000

- Increases
 - Elections - \$2,000 to ensure we have adequate funds for election in October 2017.

Administration: \$2,744,250

Increased by \$162,150

- Decreases
 - **Revenue** Rentals – Municipal Buildings - \$24,600 Adjustment to accommodate rental agreement changes with old office and house in Killam.
 - Penalties Utilities - \$1,850 Adjust closer to 2016 actuals.
 - Liability Insurance - \$10,000 based on previous actuals.
- Increases
 - Salaries, Wages, Benefits – \$12,900 reallocation in wages and benefits.
 - Assessment - \$25,000 rate increase and additional costs for non-residential assessment.
 - Assessment Appeals - \$25,000 to accommodate any MGB appeals we may have.
 - Computer Services - \$35,000 installation of fibre for internet to administration building.
 - Building Maintenance - \$37,000 repairs to administration building.
 - Supplies - \$8,000 safety equipment administration building (sit/stand stations).
 - Telephone - \$1,600 replacement of cell phones.

Peace Officers: \$294,750

Decreased by \$25,000

- Increases (**Revenue**)
 - Services Towns/Villages - \$5,000 ticket revenue received from towns/villages for peace officer services.
 - Fines County - \$20,000 fine revenue to reflect actual ticket revenue.

By-Law Enforcement: \$4,500

Increased by \$700

- Decreases
 - **Revenue** - \$700 – no longer charge for dog and cat licenses in hamlets.

Public Works: \$9,146,907

Decreased by \$6,493

- Decreases
 - **Revenue** Gravel Sales - \$20,000 to reflect actual sales in 2016.
 - Gravel Site Rental - \$25,000 annual payment to Hinkey's final as per the gravel purchase agreement concluded in 2016.
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- Increases
 - **Other Revenue** - \$23,068 revenue received for regional water operator.
 - **MSI Operating Grant** - \$170,626 utilize for dust suppressant program.
 - Salary/Benefits - \$6,000.

- Shop building maintenance - \$9,000 overhead door inspections and overhead crane repairs.
- Shop Supplies - \$8,000 shelving for cold storage shed and \$2,500 for shop replacement keys.
- Equipment Rental - \$10,000 rent a packer to evaluate efficiencies between a packer and the wobbly packer currently used.
- Dust Control Product - \$19,700 accommodate increase in price for MG30 price per litre \$0.265.
- Gravel Material - \$106,000 increase cost of gravel material to accommodate 10,000 tonne of patch material due to wet spring.
- Road Maintenance - \$30,500 – Bridge Inspections \$12,000, Contract bridge repairs \$8,000, Equipment rental \$2,500 and Brushing Contract Payments \$8,000.

Water Supply Hamlets: (\$25,300)

Increased by \$10,570

- Decreases
 - Utility Revenue - \$2,300 to reflect actual revenue received.
 - Services other municipalities - \$7,000 due to hiring of third operator cost to be split with regional water operators.
- Increases
 - Revenue \$14,100 revenue received for a portion of the regional water operator costs.
 - Salaries and Benefits - \$33,970 for additional hamlet operator.

Sanitary Sewer: (\$44,500)

Increased by \$17,800

- Decreases
 - **Utility Revenue** - \$5,100 to reflect actual revenue received.
- Increases
 - Other Revenue \$10,000 revenue received for a portion of the regional water operator costs.
 - Salaries and Benefits - \$22,700 for additional hamlet operator.

Waste Disposal: \$4,200

Increased by \$6,150

- Decreases
 - Utility Revenue - \$9,300 to reflect actual revenue received.
 - Requisitions - \$3,150 decrease in Waste Management Requisitions.

Flagstaff Family Services: \$185,455

Increased by \$20,769

- Decreases
 - Youth Center - \$5,756 adjusted to actual amount paid in 2017.
- Increases
 - Mennonite Program - \$25,800 request for funding in 2017.

Agricultural Service Board: \$774,700

Decreased by \$12,400

- Increases
 - **Revenue** - \$32,000 – Beaver control \$1,000, ALUS \$33,500.

- Miscellaneous - \$2,700 – telephone, insurance and beaver control.
- ALUS Expense - \$30,000
- Fuel and Lube - \$7,000 to reflect price in fuel and actual used in 2016.
- Decreases
 - **Extension Revenue** - \$2,500
 - Extension Expenses - \$20,000

Economic Development: \$452,350

Decreased by \$9,350

- Decreases
 - Salaries/Benefits - \$6,700 reflect addition of summer student and decrease due to maternity leave.
 - Youth Development - \$7,000 to reflect no Junior Achievement Program in 2017.
- Increases
 - Slight changes in memberships, professional development, consultants and marketing and branding accounts.

Parks: \$129,500

Increased by \$8,000

- Increases
 - Equipment Repairs - \$8,000

Culture: \$176,300

Decreased by \$2,500

- Increases
 - Bus Rental Revenue - \$2,500

Bad Debt/Revenue Own Sources: \$88,000

Decreased by \$55,000

- Increases
 - **Revenue Penalties on Taxes** - \$50,000 based on previous years' tax penalties.
 - **Revenue Dividend** - \$5,000 based on previous years' dividends.

Operating Reserves Transfers: (\$69,975)

Decreased by \$14,725

- Decrease to operating reserves utilizing funds for the following projects in 2017.
 - Special Projects \$30,000 – Fibre Internet connection Administration building. (New)
 - Recreation - \$150,000 –Valley Ski Club.
 - Cemetery Grants - \$12,500.
 - MDP/LUB project - \$35,000 completion of MDP and LUB.
 - Administration Building - \$100,000 repairs to administration building. (New)
 - ALUS - \$8,500 2016 funding not utilized. (New)
 - Economic Development - \$10,000 completion of website and marketing project from 2016. (New)
- Increase to reserves in 2017 (utility revenue adjusted based on 2016).
 - Water Infrastructure - \$42,800
 - Sewage Infrastructure - \$46,800
 - Gas System - \$15,800
 - Public Works - \$170,625 additional funds raised through taxes.

TOTAL OPERATING BUDGET INCREASE = \$132,321

SUMMARY 2017 OPERATING BUDGET

TOTAL 2017 OPERATING EXPENSES - \$18,438,745

Funded by:

Reserves - \$69,975

Other Revenue - \$2,229,643

Tax Revenue - \$16,139,127

CAPITAL BUDGET

REVENUE:

MSI Capital Grant: (\$7,353,237)

Increased by \$2,015,457

- This budget proposes utilizing MSI Capital funds for the following projects in 2017
 - \$6,000,000 – New shop building
 - \$422,900 – Bridges (Basic Municipal Transportation Grant)
 - \$331,781 – Road Construction (Basic Municipal Transportation Grant)
 - \$316,186 – Hamlet of Strome Infrastructure
 - \$282,370 – Hamlet of Galahad Infrastructure

Federal Gas Tax: (\$528,046)

Increased by \$74,056

- This budget proposes utilizing Federal Gas Tax funds for the following projects in 2017.
 - \$454,000 – Road Construction
 - \$74,046 – Hamlet of Strome Infrastructure

Alberta Community Partnership Grant: (\$1,900,000)

- This budget proposes utilizing ACP grant for the following projects in 2017.
 - \$950,000 – Hamlet of Strome Infrastructure
 - \$950,000 – Hamlet of Galahad Infrastructure

Strategic Transportation Infrastructure Program: (\$299,250)

- This budget proposes utilizing STIP funds for the following projects in 2017.
 - \$179,250 – Bridges
 - \$120,000 – Airport

Capital Reserves Transfers: (\$2,506,180)

Increased by \$150,780

- This budget proposes utilizing reserve funds for the following projects in 2017
 - Road Construction \$2,274,180
 - Gravel Production - \$192,000
 - Airport - \$40,000

EXPENDITURES:

Hamlet Infrastructure: - \$2,572,603

Decreased by \$149,397

Buildings: - TOTAL of \$6,022,000

Increased by \$2,125,000

Capital Equipment/ Vehicles: - TOTAL of \$2,109,116

Decreased by \$452

Road Construction: - TOTAL of \$5,228,180

Increased by \$110,780

Bridges: Total of \$602,150

Increased by \$293,150

Airport: Total of \$196,300

Increased by \$160,000

TOTAL CAPITAL BUDGET DECREASE = (\$452)

SUMMARY 2017 CAPITAL BUDGET

TOTAL 2017 CAPITAL EXPENSES - \$17,966,786

Funded by:

Reserves - \$2,506,180

Sale of Equipment - \$598,650

Grants - \$10,080,533

Tax Revenue - \$4,781,423

TOTAL PROPOSED INCREASED REVISED BUDGET = \$131,869

Operating Budget Increase -	\$132,321
Capital Budget decrease -	<u>-\$ 452</u>
Total 2017 Proposed Revisions	\$ 131,869

ASSESSMENT

The assessment has an overall decrease of 1.1948% from 2016 of which is attributed to a decrease in linear and machinery and equipment assessment. Listed below is the comparison:

	2016	2017	Difference	%
Farmland	165,787,360	165,746,560	-40,800	-0.0246%
Residential	319,659,030	330,222,560	10,563,530	3.3047%
Non Res / Linear	1,003,210,360	974,900,690	-28,309,670	-2.8219%
TOTAL	1,488,656,750	1,470,869,810	-17,786,940	1.1948%

TAX RATES:

Proposed Overall Rates would increase as listed:

CLASS	2016 vs 2017 Proposed Rates	2016 vs 2017 Revised Budget
Residential	0%	1.26%
Farmland	0%	3.58%
Non Residential / Linear	0%	2.29%
Machinery & Equipment	0%	0.91%

This overall increase in the rates includes the following changes:

Alberta School Foundation:

Residential/Farmland increase of 2.48%

Non-Residential/Linear increase of 8.62%

Flagstaff Foundation – decrease of **31.82%**

Waste Management – decrease of **2.13%**

Municipal Farmland – increase of 4.00%

Municipal Residential – increase of 1.00%

Municipal Non-Residential/Linear – increase of 1.00%

Municipal Recreation – increase of 16.79%

These proposed tax rates would result in an approximate surplus of \$36,944 which can be allocated to reserves at 2017 yearend.