



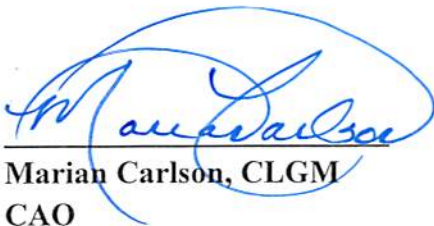
Claresholm

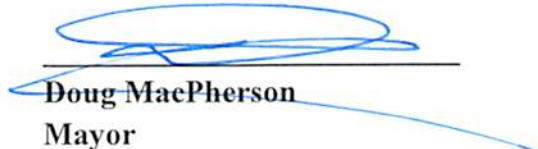
Where **Community** Takes Root

Budget Document - Updated

2018

Approved April 9, 2018


Marian Carlson, CLGM
CAO


Doug MacPherson
Mayor

Assessment & Taxation

What is Property Assessment?

“Property assessment is the process of assigning a dollar value to a property for taxation purposes. In Alberta property is taxed based on the *ad valorem* principle. *Ad valorem* means “according to value.” This means that the amount of tax paid is based on the value of the property.” Source: http://www.municipalaffairs.alberta.ca/1538.cfm#What_is_Property_Assessment

What is Property Tax?

“Property taxes are a primary source of revenue for municipalities. Property taxes are used to finance local programs and services, such as:

- Garbage collection
- Water and sewer services
- Road construction and maintenance
- Parks and leisure facilities
- Police and fire protection
- Seniors’ lodges
- Education

Each municipality is responsible for ensuring that each property owner pays his or her share of taxes. Property assessment is the method used to distribute the tax burden among property owners in a municipality.” Source: http://www.municipalaffairs.alberta.ca/1538.cfm#What_is_Property_Assessment

What is School Tax?

“In 1994, the Government of Alberta established the Alberta School Foundation Fund (ASFF). This fund makes certain that the education property tax is accounted for separately from general revenues.

Every year the province calculates, based on assessment value, the amount each municipality must contribute towards the public education system. Municipalities collect the education property tax and then forward it to the province for deposit into the ASFF.”

Source: <http://education.alberta.ca/admin/funding/tax/facts.aspx>

Town of Claresholm Mill Rates

Each year, Council, during its budgetary process, approves the amount of revenue required to operate the municipality. From this amount they subtract the known revenues, such as grants, licenses, permits and so on. The remainder represents the amount of money to be raised by property taxes. The amount to be raised is divided by the total assessed value of all the property in the municipality and multiplied by 1,000 to decide the tax rate also known as the “mill rate.”

Town Council continues to remain fiscally responsible and has made a concerted effort to curb spending when reasonable to do so.

The table below outlines the mill rate trends since 2013.

	2013	2014	2015	2016	2017	2018
Municipal Residential	6.1500	6.5215	6.3300	6.5130	6.7050	6.8000
Municipal Non Residential	11.9000	12.1000	11.8958	12.0279	12.5841	11.5303
Municipal Vacant Residential & Farmland	9.0000	10.5000	10.5000	11.3956	14.0650	6.8000
Municipal Seniors Self Contained Housing	6.1500	6.5215	0	0	0	
Annexed Residential	0	0	0	0	3.4000	TBD
Annexed Farmland	0	0	0	0	6.8890	TBD
Annexed Non-Residential	0	0	0	0	7.4890	TBD
Porcupine Hills Lodge – Residential, Non-Residential, Vac. Res. & Farmland	0.2660	0.2715	0.2639	0.2767	0.2767	0.2671
Porcupine Hills Lodge – Senior Self Contained Housing	0.2660	0.2715	0	0	0	
Annexed Porcupine Hills Lodge – Residential, Non-Residential, Vac. Res. & Farmland	0	0	0	0	0.3120	TBD
Education ASFF – Residential, Vacant Res. & Farmland	2.6831	2.6463	2.4592	2.5485	2.5318	2.5334
Education ASFF - Non Residential	3.8217	3.6290	3.6269	3.5621	3.7897	3.4141
Annexed Education ASFF – Res., Vac. Rec., & F.L.	0	0	0	0	2.4960	TBD
Annexed Education ASFF – Non-Residential	0	0	0	0	4.1220	TBD

Town of Claresholm Budget Comparative Statement of Operations

	2018 Budget	2017 Budget
Revenue		
Net municipal taxes (Sch 1)	3,162,061	3,113,876
User fees and sales of goods	2,609,665	2,111,170
Government transfers for operating	505,487	422,095
Investment income	60,000	58,000
Penalties and costs of taxes	161,500	129,100
Licenses and permits	51,800	47,900
Franchise and concession contracts	204,563	202,538
Rental	105,700	109,650
Other	204,600	22,500
Donations	144,300	-
Family and community support services	233,446	214,296
Total Revenue	7,443,122	6,431,125
Expenses (includes amortization)		
Legislative	108,750	113,500
Administration	1,303,084	1,166,789
Fire	326,979	301,612
Bylaw enforcement	157,847	129,778
Common and equipment pool	545,112	514,064
Roads, streets, walks and lighting	813,029	843,242
Airport	18,174	18,379
Storm sewers and drainage	252,705	63,545
Water supply and distribution	1,639,567	1,955,421
Wastewater treatment and disposal	523,995	529,856
Solid waste management	556,498	576,040
Family and community support services	254,665	236,905
Day care	38,202	38,202
Cemeteries and crematoriums	30,302	51,680
Other public health and welfare	10,000	27,000
Weed and pest control	48,501	45,204
Economic development	345,110	174,350
Subdivision land and development	182,764	189,503
Parks and recreation	991,753	904,162
Culture - libraries, museums and halls	388,417	408,844
Total Expenses	8,535,456	8,288,076
Deficiency of revenue over expenses before other	(1,092,333)	(1,856,951)

Other		
Government transfers for capital	6,429,023	5,324,112
Surplus (deficiency)	5,336,690	3,467,161
Adjustment for Non-Cash items		
Amortization expenses	2,122,723	2,166,952
Adjustment for cash items that are not revenues and expenses (but are sources or uses of funds)		
Capital expenditures	(7,687,308)	(5,448,345)
Debt proceeds	400,000	-
Debt principal repayment	(289,366)	(277,246)
8th Ave NW Promissory Note	(100,000)	(100,000)
Transfers to reserves from operations	(425,974)	(2,000)
Transfers to operations from reserves	134,750	69,245
Transfer from reserves for capital	508,485	124,233
Budget balance	(0)	(0)

Schedule 1	2018 Budget	2017 Budget
Taxation		
Property taxes: Vacant residential and farmland	46,885	77,779
Property taxes: Non-residential	972,321	986,748
Property taxes: Linear property	104,595	108,569
Property taxes: Residential	3,194,653	3,080,552
Federal grants in lieu of taxes	5,962	6,780
Provincial grants in lieu of taxes	34,263	36,272
Local improvement taxes	15,827	11,571
	4,374,506	4,308,271
Less: Requisitions		
Alberta school foundation fund	1,102,791	1,087,744
Porcupine Hills Lodge	109,654	106,651
	3,162,061	3,113,876

DEPARTMENT
OPERATING
BUDGETS

4 Year Operating Budgetary Deficit (Surplus) Summary By Function

Excludes Amortization and Capital

OPERATING BUDGET DEFICIT (SURPLUS)	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Council	108,750	120,295	113,500	85,936	104,377
Municipal general revenue and requisitions	(3,520,297)	(3,415,555)	(3,416,343)	(3,317,658)	(3,258,415)
General administration	990,495	896,629	973,408	844,556	702,895
Fire department	135,127	119,158	120,905	74,415	136,666
Bylaw enforcement	36,991	33,513	37,032	81,378	82,469
Equipment pool	451,298	400,130	430,120	401,886	417,923
Roads and streets	499,156	592,338	514,590	391,053	426,653
Airport	9,014	1,822	8,219	4,093	7,349
Storm sewer utility	12,986	57,403	22,352	37,296	11,712
Water utility	(127,917)	(228,308)	(77,306)	(226,353)	(322,812)
Sanitary sewer utility	(174,258)	(143,956)	(116,862)	(120,363)	(141,459)
Garbage collection	299	17,076	(314)	(13,510)	(27,265)
Recycling	(5,730)	(38,051)	(20,703)	(23,396)	(11,944)
Childcare contribution	38,202	38,202	38,202	38,202	38,202
Family & Community Support Services (FCSS)	0	13,860	(0)	(7,880)	(3,838)
Cemetery	20,502	3,025	36,180	4,058	10,966
Other public health and welfare	-	-	(27,000)	(2,366)	9,604
Weed and pest control	21,168	14,677	17,871	19,743	12,387
Economic development	208,860	102,624	79,850	115,824	-
Planning and development	162,264	105,782	172,503	112,511	148,301
General recreation	56,367	95,303	76,350	65,907	55,294
Parks	98,032	89,046	103,943	97,200	70,204
Arena	143,531	125,473	100,363	161,202	95,872
Aquatic Centre	136,818	130,416	164,062	152,149	174,507
Museum	72,305	66,708	63,458	59,422	55,125
Library	215,173	203,376	208,376	197,459	191,755
OPERATIONAL NET DEFICIT (SURPLUS)	(410,866)	(599,014)	(377,246)	(767,234)	(1,013,474)

COUNCIL

The Council budget deals with all costs associated and incurred by Municipal Council including per diems, fees for meetings and conferences, travel reimbursements and professional development.

COUNCIL	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Wages, meetings and per diems	88,500	96,378	93,000	76,336	86,496
Travel and conventions	12,750	16,464	12,000	8,632	15,533
Education	7,000	2,557	8,500	968	2,348
Materials, supplies and operating costs	500	4,896	-	-	-
NET DEFICIT (SURPLUS) COUNCIL	108,750	120,295	113,500	85,936	104,377

Members of Council sit on various internal and external boards and committees and are compensated according to Bylaw #1589. The following table outlines the Council remuneration fees for 2018.

	2018 Remuneration Fees
Mayor – Annual	\$8,000/year
Councillors– Annual	\$5,600/year
Council Meetings	\$140/meeting attended
Per Diem Half Day or Evening (4 - 6 hours)	\$115/half day
Per Diem Full Day (6 hours or more)	\$230/full day
Per Diem Less Than 4 Hours	\$23/hour
Mileage	\$0.54/km
Meals and accommodation at cost	Upon submission of valid receipts

Variance Highlights

- Dropped “Wages, meetings and per diems” budget slightly based on historical actuals with slight increase to “Travel and conventions”
- Education budget for 2017 was high due to expected new councilor training with the 2017 election. 2018 budget dropped back down to allow \$1K per councilor.
- Added new category for “Materials, supplies and operating costs” for potential council incidental costs, such as accessories or applications for iPads.

MUNICIPAL GENERAL REVENUE AND REQUISITIONS

General Revenue is generated from Municipal Property Taxes and Grants In Lieu. Grants In Lieu are paid for property which is owned by the Provincial and Federal Governments. The **grant** is equal to the taxes that would have been paid if the property was not exempt from taxation. The *Municipal Government Act* defines "requisition" as any part of the amount required to be paid into the Alberta School Foundation Fund that is raised by imposing a tax rate, and any amount to be paid to a management body referred to in the *Alberta Housing Act*. The Town of Claresholm pays requisitions to the Alberta School Foundation Fund and the Porcupine Hills Lodge Foundation. This budget also includes (in "General municipal revenue") the ATCO Gas Franchise Agreement at a rate of 10% (approx. \$100K) and the Fortis Franchise Agreement at a rate of 4% (approx.. \$100K).

MUNICIPAL GENERAL REVENUE & REQUISITIONS	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Taxes	(4,318,454)	(3,165,823)	(4,253,648)	(3,110,861)	(4,130,358)
Education taxes	-	(1,087,744)	-	(1,092,088)	-
Grants in lieu	(40,225)	(43,052)	(43,052)	(41,558)	(48,113)
Taxes and grants in lieu	(4,358,679)	(4,296,619)	(4,296,700)	(4,244,507)	(4,178,471)
General municipal revenue	(374,063)	(313,330)	(314,038)	(276,756)	(274,682)
General municipal revenue	(374,063)	(313,330)	(314,038)	(276,756)	(274,682)
Home for aged - Porcupine Hills Lodge	109,654	106,651	106,651	111,517	107,826
School Foundation Program - res. & farmland	856,597	833,474	833,474	847,182	832,286
School Foundation Program - non-residential	246,194	254,270	254,270	244,907	254,625
NET DEFICIT (SURPLUS) GENERAL	(3,520,297)	(3,415,555)	(3,416,343)	(3,317,658)	(3,258,415)

Variance Highlights

- Currently budgeted with a 2% increase in tax revenue and tax requisitions based on 2017 total tax revenue.
- School requisitions shown are estimates based on 2017 actuals.
- General municipal revenue includes a \$50,000 ACP grant for Mediation and Collaboration

ADMINISTRATION

The Administration budget includes business licenses, general operating grants (such as Municipal Sustainability Initiative (MSI) operating grant – 2018 estimated at \$100K), rentals, internal transfers, and other miscellaneous income. Expenditures include finance, reception, utilities, communication, human resources and other general administrative costs.

ADMINISTRATION	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Business licenses	(28,800)	(26,975)	(28,400)	(31,200)	(28,290)
General administrative revenue	(158,697)	(185,288)	(130,261)	(171,395)	(156,400)
Administrative general revenue	(187,497)	(212,263)	(158,661)	(202,595)	(184,690)
Wages and benefits	587,951	551,834	573,272	498,020	432,760
Consultant fees	104,728	59,012	45,610	61,695	41,547
Materials, supplies and operating costs	319,769	344,571	326,344	271,072	285,444
Assessor	53,000	56,234	56,154	53,961	51,711
Auditor	19,500	20,150	23,850	19,350	29,235
Legal	12,000	15,864	10,000	6,232	9,743
Municipal grants	81,000	69,703	72,850	71,170	32,000
Celebrations	23,500	14,001	20,000	20,109	17,714
Economic development	-	-	-	-	14,285
Tax levy cancellations and discounts	6,200	5,355	6,000	5,769	5,394
Public relations and taxi subsidy	11,500	16,384	11,000	11,683	9,742
Staff development and training	12,000	11,582	12,000	17,280	11,918
Amortization	71,937	69,610	9,710	35,828	4,378
Administrative general expenses	1,303,084	1,234,298	1,166,789	1,072,170	945,872
	1,115,587	1,022,035	1,008,128	869,574	761,183
Operational budget adjustments					
Addback amortization	(71,937)	(69,610)	(9,710)	(35,828)	(4,378)
Transfer from reserve - operating	-	(8,641)	(245)	-	-
Internal charges to other departments	(79,465)	(79,465)	(78,075)	(77,860)	(77,860)
Internal grant funding (FCSS/Phys Recruit)	26,309	26,309	53,309	26,309	23,949
Transfer to reserve - operating	-	6,000	-	36,701	-
Transfer to reserve - capital	-	-	-	25,659	-
NET DEFICIT (SURPLUS) ADMINISTRATION	990,495	896,629	973,408	844,556	702,895

Variance Highlights

- \$11,250 increase in general revenue for \$1.50 admin fee/paper statement fee on utility billings. We currently have 1,560 (280 receive e-bills) residential billings bi-monthly and 292 (60 receive e-bills) commercial billings monthly totalling approximately 12,800 bills annually, of which 10,400 are paper statements. The proposal would be to charge a \$1.50 statement fee per paper statement. Many banks charge a \$2 paper statement fee.
- Wages & Benefits covered by CUPE contract increased 3%. Non-union wages and benefits also have a proposed 3% increase. This is reflected in each department's budget.
- 11,500 drop in consultant fees simply from a reclassification Muniware support costs. These are required fees with our financial software and are more accurately described as software costs than consultant fees. Added \$25K consulting fees for facilitation and support in creating our Intermunicipal Collaboration Framework (ICF) and Intermunicipal Development Plan (IDP or IMDP) with the MD of Willow Creek as required by the MGA. Also \$50K for Mediation and Collaboration for Council which is offset by grant revenue.
- Materials, supplies and operating costs
 - Increase for \$11,500 reclassification of Muniware support costs as noted above.
 - \$6,800 one-time cost for new software modules and services that are being considered to help improve service quality, and green practices (reduce paper). Plus \$4,860 ongoing annual cost increase for these software packages.
 - \$2,800 drop in postage and office supplies for migration to EFTs for AP council using iPads reducing paper and other related costs.
 - \$1,500 annual drop in cell phone costs moving to GOA contract pricing.
 - No annexation fees in the current year (\$24K in 2017)
 - Utility costs for the old school building increased 4K – under budgeted in 2017 as was first full year of the Town owning the building and original estimate was low.
- Dropped assessor fee by approximately \$3,000 due to expected drop of assessable properties due to plan amalgamation in the NE part of Town. Expect closer to \$3,500 but wanted to leave some buffer.
- \$4K drop in audit fees from 2017 budget due to having a CPA, CA on staff to prepare for the audit and based on re-tendering the audit.
- Community grants includes \$20,000 to the Community Hall Board, \$10,000 to the Transportation Society, \$30,000 to CARES, \$6,000 to the Arts society (fireworks for winter festival), \$6,000 for other miscellaneous requests (walking group, senior rodeo, health foundation gala) and \$12,000 for insurance reimbursement – insurance for groups that operate Town owned facilities (Golf Club, Curling Club, Child Care Society, Ag Society, Community Hall Board, and Seniors Drop-in Centre).
- Physician recruitment funding requirements in 2018 will be met by utilizing reserve funds.
- \$4,500 increase in Celebration budget for Canada Day is shown however this is just a change in reporting, separating donation revenue from event costs. In prior years these were netted.

FIRE

The Fire budget deals with expenses related to operating the Volunteer Fire Department. The Town of Claresholm fire services are provided through the Claresholm Volunteer Fire Department in partnership with the M.D. of Willow Creek.

FIRE DEPARTMENT	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Provincial Grants	(143,575)	(6,425)	(150,000)	-	-
MD contributions	(8,000)	(11,837)	(10,000)	(6,883)	(6,803)
Non-government contribution	(7,000)	(8,218)	(6,000)	(10,500)	(3,800)
Fire department revenue	(158,575)	(26,480)	(166,000)	(17,383)	(10,603)
Wages and benefits	53,500	47,495	52,789	47,044	105,905
Equipment, fuel, etc	75,400	15,434	45,300	7,073	10,431
Training	7,500	7,304	6,750	6,520	1,409
Materials, supplies and operating expenses	33,727	38,980	32,066	31,161	29,524
Regional fire study costs	143,575	6,425	150,000	-	-
Amortization	13,277	13,077	14,707	14,707	16,504
Fire department expenses	326,979	128,714	301,612	106,505	163,773
	168,404	102,235	135,612	89,122	153,170
Operational budget adjustments					
Addback amortization	(13,277)	(13,077)	(14,707)	(14,707)	(16,504)
Transfer from reserve - operating	(30,000)	-	-	-	-
Transfer to reserve - operating	-	30,000	-	-	-
Transfer to reserve - capital	10,000	-	-	-	-
NET DEFICIT (SURPLUS) FIRE DEPARTMENT	135,127	119,158	120,905	74,415	136,666

Variance Highlights

- \$150,000 was budgeted for a regional fire study in 2017 that was offset by a \$150,000 grant. Majority was not spent in 2017, therefore these have been deferred to 2018.
- Slight drop to MD contribution based on historic actuals.
- Training cost increase includes the cost of 50% contribution on fireman's ACP training/certification.
- Significant increase in equipment for \$30,000 budgeted from 2017 transferred to 2018 (see 2017 transfer to reserve and 2018 budget 30,000 transfer out of reserve) for 4 new breathing apparatuses. Budgeted for 2 more in 2018 (\$15,000) plus \$10,000 for new radios.
- \$10,000 transfer to capital reserve to save for new fire truck.

BYLAW ENFORCEMENT

The Bylaw Enforcement budget includes both bylaw and animal control activities. The Community Peace Officer program continues to focus on animal control and unsightly premises, with safety and security of residents taking a high priority. The activities will include an education component along with enforcement.

BYLAW ENFORCEMENT	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Provincial fines collected	(33,000)	(35,372)	(29,000)	(24,126)	(33,809)
Licenses and fees	(9,000)	(9,459)	(9,500)	(10,085)	(11,093)
Municipal fines	(70,500)	(37,928)	(42,100)	(8,817)	(4,556)
Workshop revenue	(4,900)	(6,000)	(6,300)	(800)	(811)
Bylaw enforcement revenue	(117,400)	(88,758)	(86,900)	(43,828)	(50,269)
Wages and benefits	80,891	82,083	78,657	77,447	81,123
Animal services	1,000	-	1,000	30,425	30,449
Legal	-	-	2,000	-	-
Materials, supplies and operating expenses	68,500	35,157	37,275	15,608	19,957
Professional development	2,000	3,031	3,000	1,726	1,208
Amortization	5,456	6,440	7,846	7,846	9,854
Bylaw enforcement expenses	157,847	126,712	129,778	133,052	142,592
	40,447	37,954	42,878	89,224	92,323
Operational budget adjustments					
Addback amortization	(5,456)	(6,440)	(7,846)	(7,846)	(9,854)
Transfer to reserve - capital	2,000	2,000	2,000	-	-
NET DEFICIT (SURPLUS) BYLAW ENFORCEMENT	36,991	33,513	37,032	81,378	82,469

Variance Highlights

- Provincial fines budget has increased by \$1,000 to reflect increase in 2017 actuals.
- Municipal fines increased significantly (30K) based on projected revenue from ticket revenue on expanding CPO contract with Fort Macleod to two days per week. Expense for CPO contract also increased (33K) for expanding contract and adding in percentage of ticket revenue for administrative costs to Fort Macleod (15%). Net Revenue estimated at \$28,000.
- Added a new operating expenses budget for public relations (\$500). This would be to provide small thank you gifts, meals or events to local organization for their work in risk reduction.
- A \$2,000 transfer to capital reserve is for future replacement of the enforcement vehicle.

COMMON EQUIPMENT POOL

This department is responsible for general building and equipment maintenance and other general infrastructure. Equipment is then “rented” out to other departments to attempt to show a more accurate department cost.

EQUIPMENT POOL	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Rental revenue and insurance proceeds	(1,000)	(3,986)	(2,000)	(850)	(5,768)
Equipment pool revenue	(1,000)	(3,986)	(2,000)	(850)	(5,768)
Wages and benefits	189,798	188,230	175,720	174,140	199,531
Materials, supplies and operating expenses	332,500	285,885	326,400	298,596	294,159
Amortization	21,314	18,153	8,944	8,944	6,936
Equipment pool expenses	543,612	492,268	511,064	481,680	500,627
	542,612	488,283	509,064	480,830	494,859
Operational budget adjustments					
Addback amortization	(21,314)	(18,153)	(8,944)	(8,944)	(6,936)
Internal charges to other departments	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)
Transfer to reserve - capital	-	-	-	-	-
NET DEFICIT (SURPLUS) EQUIPMENT POOL	451,298	400,130	430,120	401,886	417,923

Variance Highlights

- Reduced outside rental revenue to closer reflect historical actuals. Insurance proceeds are not budgeted for.
- Materials, supplies and operating costs have been reduced by \$12,700 to reduce accounts individual accounts to be more in line with historical actuals, which is largely offset by \$10,000 increase for additional maintenance and repair costs expected on the old school building.
- Added transfer to capital reserve for future equipment/vehicle replacement.

ROADS, STREETS, WALKS & LIGHTS

This department is responsible for road maintenance including plowing, sanding, street sweeping, and curb repairs. Utility costs for street lighting is also included here.

ROADS, STREETS, WALKS, AND LIGHTS	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Local improvement charges	(915)	-	(2,100)	(43,327)	(51,338)
Roads and streets revenue	(915)	-	(2,100)	(43,327)	(51,338)
Wages and benefits	183,071	244,684	137,690	142,472	138,468
Contracted services	75,000	71,541	75,000	66,099	75,592
Engineering	2,000	1,221	2,000	1,038	1,044
Street lights	150,000	164,152	170,000	149,507	164,791
Materials, supplies and operating expenses	90,000	110,740	132,000	59,629	98,096
Amortization	312,959	327,488	326,552	326,552	366,478
Roads and streets expenses	813,029	919,826	843,242	745,297	844,468
	812,114	919,826	841,142	701,969	793,130
Operational budget adjustments					
Addback amortization	(312,959)	(327,488)	(326,552)	(326,552)	(366,478)
Transfer to reserve - capital	-	-	-	15,636	-
NET DEFICIT (SURPLUS) ROADS AND STREETS	499,156	592,338	514,590	391,053	426,653

Variance Highlights

- Street lights have been reduced \$20,000 for change to LED lights.
- Materials, supplies, and operating expenses have been reduced \$42,000 for historical actuals.

AIRPORT

The Town of Claresholm owns the municipal airport. The Director of Infrastructure Services oversees the operation of the airport and submits the annual budget for Council consideration.

AIRPORT	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Facility rental	(5,000)	(9,500)	(6,000)	(9,010)	(13,000)
Airport services revenue	(5,000)	(9,500)	(6,000)	(9,010)	(13,000)
Wages and benefits	4,114	2,410	3,899	4,333	7,232
Materials, supplies and operating expenses	9,900	8,912	10,320	8,770	13,117
Amortization	4,160	4,160	4,160	4,160	4,160
Airport services expenses	18,174	15,482	18,379	17,263	24,509
	13,174	5,982	12,379	8,253	11,509
Operational budget adjustments					
Addback amortization	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)
NET DEFICIT (SURPLUS) AIRPORT	9,014	1,822	8,219	4,093	7,349

Variance Highlights

- No significant variances to note.

STORM SEWER UTILITY

The storm sewer utility includes all costs related to the collection and transmission of surface water runoff and potential overland flooding and deals with the safe storage and controlled release of this water to Frog Creek to prevent flooding damage downstream.

STORM SEWER UTILITY	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Local improvement charges	(11,090)	9,667	(5,649)	-	(4,625)
Other revenue	(47,000)	(329,698)	(5,000)	-	(6,369)
Storm sewer utility revenue	(58,090)	(320,031)	(10,649)	-	(10,994)
Wages and benefits	16,576	11,796	20,001	22,757	9,947
Contracted services	3,000	2,775	5,000	9,329	2,905
Materials, supplies and operating expenses	4,500	1,266	8,000	4,664	7,529
Overland flooding	47,000	361,598	-	546	2,325
Amortization	181,629	111,261	30,544	30,544	31,650
Storm sewer utility expenses	252,705	488,695	63,545	67,840	54,356
	194,615	168,664	52,896	67,840	43,362
Operational budget adjustments					
Addback amortization	(181,629)	(111,261)	(30,544)	(30,544)	(31,650)
Transfer to reserve - capital	-	-	-	-	-
NET DEFICIT (SURPLUS) STORM SEWER UTILITY	12,986	57,403	22,352	37,296	11,712

Variance Highlights

- Increase in local improvement charges from prior year as there was a refund budgeted for in the prior year of local improvement charges collected by residents that did not benefit from the improvement.
- Materials, supplies and operating expenses are down due to prior budget misallocating utility costs for a sanitary sewer pump station to storm sewer.
- Other revenue of \$47,000 is grant revenue to cover the remaining estimated costs for the Overland Flooding \$47,000 to complete repairs to Frog Creek Drainage Ditches south of Town that were damaged in the 2014 flood.

WATER SUPPLY & DISTRIBUTION

The Water Supply & Distribution department is responsible for producing potable water and maintaining a water storage and distribution system capable of providing suitable water to the residents. The production and distribution adheres to the Canadian Drinking Water Standards and the standards set out in the license issued to the town by Alberta Environment.

WATER SUPPLY AND DISTRIBUTION	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Water sales	(1,391,100)	(1,115,334)	(1,057,100)	(1,087,882)	(1,057,425)
Other revenue	-	-	-	(1,022)	(101,315)
Water services revenue	(1,391,100)	(1,115,334)	(1,057,100)	(1,088,904)	(1,158,740)
Wages and benefits	312,622	291,793	348,319	307,802	248,112
Training	2,500	4,235	2,500	-	2,262
Materials, supplies and operating expenses	194,900	177,367	201,900	137,362	166,498
Engineering and legal	-	-	5,000	-	-
Chemical	85,000	95,482	80,000	80,170	87,903
Maintenance	85,000	83,154	106,800	96,083	84,192
Debenture interest	160,951	167,121	167,400	173,258	179,086
Amortization	800,094	920,453	1,046,502	1,046,502	1,195,268
Water services expenses	1,641,067	1,739,604	1,958,421	1,841,179	1,963,321
	249,967	624,270	901,321	752,275	804,581
Operational budget adjustments					
Addback amortization	(800,094)	(920,453)	(1,046,502)	(1,046,502)	(1,195,268)
Services from other departments	67,875	67,875	67,875	67,875	67,875
Transfer to reserve - capital	354,335	-	-	-	-
NET DEFICIT (SURPLUS) WATER SERVICES	(127,917)	(228,308)	(77,306)	(226,353)	(322,812)

Variance Highlights

- Revenue up \$334,000 for proposed utility rate restructuring.
- Materials, supplies and operating expenses were reduced due to historical costs. This includes an increase in the budget for the water valve replacement program that was started last year.
- Increased chemical budget slightly for historical actuals.
- Debenture interest decreases year over year as debt is repaid.
- Surplus in water utility, less 2018 principal payment on outstanding water loan of \$127,917, is transferred to capital reserves for future infrastructure upgrades.
- Net zero budget in water utility.

SANITARY SEWER TREATMENT & DISPOSAL

The Wastewater Treatment & Disposal budget deals with all functions related to the collection, treatment and disposal of sanitary sewer water. This system functions in accordance with the standards set out by Alberta Environment.

SANITARY SEWER TREATMENT AND DISPOSAL	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Local improvement charges	(3,822)	(78)	(3,822)	-	-
Service fees	(377,000)	(305,549)	(290,000)	(303,588)	(294,455)
Sanitary sewer services revenue	(380,822)	(305,627)	(293,822)	(303,588)	(294,455)
Wages and benefits	84,070	72,091	76,455	80,049	69,985
Contracted services	7,800	10,185	6,800	24,985	4,931
Materials, supplies and operating expenses	26,750	23,687	37,000	19,216	16,020
Debenture interest	25,030	27,433	28,430	30,700	33,785
Amortization	380,345	382,192	381,171	381,171	417,815
Sanitary sewer services expenses	523,995	515,588	529,856	536,121	542,536
	143,173	209,961	236,034	232,533	248,080
Operational budget adjustments					
Addback amortization	(380,345)	(382,192)	(381,171)	(381,171)	(417,815)
Services from other departments	28,275	28,275	28,275	28,275	28,275
Transfer to reserve - capital	34,639	-	-	-	-
NET DEFICIT (SURPLUS) SANITARY SEWER SERVICES	(174,258)	(143,956)	(116,862)	(120,363)	(141,459)

Variance Highlights

- \$87,000 increase in revenue for proposed utility rate restructuring.
- Increase in contracted services as a contingency to deal with potential issues related to the sewage lagoons.
- Significant decrease in materials, supplies and operating expenses to reduce budget for materials to be more in-line with historic actuals while still allowing for some contingency buffer.
- Sanitary Sewer and Storm Sewer operating budgets less \$161,300 of debt repayment are a net zero or balanced budget with \$34,600 transfer to capital reserve for future infrastructure replacement.

SOLID WASTE MANAGEMENT

The Solid Waste Management function provides weekly curbside waste collection services through the Infrastructure Services department. Claresholm is one of five member municipalities who belong to the Willow Creek Regional Waste Management Services Commission, which is the body that manages the regional landfill.

SOLID WASTE MANAGEMENT	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Garbage collection fees	(413,500)	(422,053)	(413,670)	(414,603)	(415,922)
Solid waste revenue	(413,500)	(422,053)	(413,670)	(414,603)	(415,922)
Wages and benefits	159,994	179,603	150,131	162,386	145,783
Landfill fees	125,000	122,027	120,000	120,321	106,917
Landfill contract	41,580	39,835	40,000	39,835	28,486
Landfill closure	4,000	25,627	35,000	12,302	49,695
Materials, supplies and operating expenses	27,500	26,313	22,500	20,524	12,052
Amortization	29,579	35,535	42,692	42,692	30,223
Solid waste expenses	387,653	428,940	410,323	398,060	373,156
	(25,847)	6,887	(3,347)	(16,543)	(42,766)
Operational budget adjustments					
Addback amortization	(29,579)	(35,535)	(42,692)	(42,692)	(30,223)
Services from other departments	45,725	45,725	45,725	45,725	45,725
Transfer to reserve - capital	10,000	-	-	-	-
NET DEFICIT (SURPLUS) SOLID WASTE MANAGEMENT	299	17,076	(314)	(13,510)	(27,265)

Variance Highlights

- Landfill fees increased based on rising quantities.
- Landfill closure costs reduced from prior year, which included extra testing for landfill setback testing in Town for request to adjust the set back. No similar costs in 2017 expected.
- Supplies costs increased slightly for increasing fuel costs for garbage trucks.
- Added \$10,000 transfer to capital reserve to begin saving for garbage truck replacement

RECYCLING

The Recycling department provides weekly curbside recycling pickup for residential properties and recycling drop off services for non-residential properties through the Infrastructure Services department. Claresholm also has a contract with the Town of Stavely to accept and recycle their cardboard.

RECYCLING	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Recycling service fees	(158,500)	(159,211)	(159,400)	(153,903)	(151,280)
Commodity revenue	(15,000)	(30,856)	(10,500)	(14,181)	(8,309)
Recycling revenue	(173,500)	(190,066)	(169,900)	(168,084)	(159,589)
Wages and benefits	141,270	136,671	132,197	129,890	132,814
Shipping costs	5,000	4,140	6,000	4,140	5,490
Materials, supplies and operating expenses	11,500	11,204	11,000	10,658	9,341
Amortization	11,076	13,500	16,521	16,521	20,305
Recycling expenses	168,845	165,515	165,717	161,209	167,950
	(4,655)	(24,551)	(4,183)	(6,875)	8,361
Operational budget adjustments					
Addback amortization	(11,076)	(13,500)	(16,521)	(16,521)	(20,305)
Transfer to reserve - capital	10,000	-	-	-	-
NET DEFICIT (SURPLUS) RECYCLING	(5,730)	(38,051)	(20,703)	(23,396)	(11,944)

Variance Highlights

- Operating expenses have been increased slightly for higher utility prices.
- Added \$10,000 transfer to capital reserve to begin saving for equipment replacement.

DAY CARE CONTRIBUTION

The Day Care program is run by a non-profit board who receives a portion of their funding from the Town of Claresholm.

DAYCARE CONTRIBUTION	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Municipal contribution to daycare	38,202	38,202	38,202	38,202	38,202
NET DEFICIT (SURPLUS) DAYCARE CONTRIBUTION	38,202	38,202	38,202	38,202	38,202

Variance Highlights

- No changes to highlight.

FAMILY & COMMUNITY SUPPORT SERVICES (FCSS)

FCSS is an 80/20 funding partnership between the Government of Alberta and the Municipality. The Town of Claresholm operates a regional program in partnership with the M.D. of Willow Creek. FCSS designs and delivers social programs that are preventative in nature to promote and enhance well-being among individuals, families and communities. The FCSS program receives its mandate from the FCSS Act and Regulations, however, the FCSS Board determines the priority programs to be offered within the community.

FAMILY & COMMUNITY SUPPORT SERVICES (FCSS)	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Provincial funding	(105,235)	(105,235)	(105,235)	(105,235)	(94,273)
MD of Willow Creek	(47,124)	(47,124)	(46,338)	(46,338)	(41,626)
Alberta Health Services (AHS)	(27,735)	(27,619)	(27,271)	(27,781)	(26,055)
Child & Family Services Alberta (CFSA)	(35,352)	(35,352)	(35,352)	(35,352)	(36,457)
Fees for programming	-	-	-	(60)	(157)
Other income	(18,000)	(8,011)	(100)	(14,270)	(8,318)
FCSS Revenue	(233,446)	(223,341)	(214,296)	(229,036)	(206,886)

Wages and benefits	68,008	68,494	62,466	66,468	61,467
Professional development	3,500	4,737	3,000	3,317	2,720
Materials, supplies and operating expenses	38,234	49,471	33,500	34,443	42,813
Accounting and legal	3,500	3,700	4,000	3,600	3,500
General FCSS expenses	113,242	126,402	102,966	107,828	110,500
Community grants	26,200	35,950	26,549	26,200	22,450
FCSS Outreach Program					
Wages and benefits	50,694	30,024	50,527	49,530	47,268
Materials, supplies and operating expenses	5,040	3,337	5,740	4,764	360
FCSS Resource Centre					
Wages and benefits	44,289	43,282	40,423	42,073	40,112
Youth programming	11,800	15,319	8,700	9,484	733
Other programming	3,400	4,107	2,000	4,101	2,088
FCSS Other programs expenses	141,423	132,018	133,939	136,153	113,012
	21,219	35,079	22,609	14,944	16,626
Operational budget adjustments					
Town of Claresholm Contribution	(26,309)	(26,309)	(26,309)	(26,309)	(23,949)
Admin Allocation	5,090	5,090	3,700	3,485	3,485
NET DEFICIT (SURPLUS) FCSS	0	13,860	(0)	(7,880)	(3,838)

Variance Highlights

- Other income includes an estimated \$15,000 carryforward of funding from 2017.
- During the 2017 year a review of FCSS staffing was done and a decision was made to reduce the Outreach Worker position to a part-time position. Position is budgeted to be restored to a full time position in 2018.
- To attempt to use some of the money saved by reducing a position, budget for community grants, youth programming, and other programming as well as general supplies were increased during the end of 2017 to utilize the wage and benefits savings realized in 2017.

CEMETERY

The Cemetery is owned and operated by the Town of Claresholm. The maintenance is provided through the Infrastructure Services department and the Office staff oversees the administrative function.

CEMETERY	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Cemetery Fees	(14,300)	(13,604)	(15,000)	(14,450)	(13,317)
Local government grants	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Cemetery revenue	(17,300)	(16,604)	(18,000)	(17,450)	(16,317)
Wages and benefits	29,302	16,032	50,680	18,434	23,236
Materials, supplies and operating expenses	1,000	1,097	1,000	575	1,547
Cemetery expenses	30,302	17,129	51,680	19,008	24,783
	13,002	525	33,680	1,558	8,466
Operational budget adjustments					
Services from other departments	2,500	2,500	2,500	2,500	2,500
Transfer to reserve - capital	5,000	-	-	-	-
NET DEFICIT (SURPLUS) CEMETERY	20,502	3,025	36,180	4,058	10,966

Variance Highlights

- Included in cemetery fees is plot or niche sales. This budget was reduced 5K from prior year to be more in line for historical actuals and to be more conservative. Added this year was the recognition of some perpetual care revenue (\$4,300).
 - In 1990 the Town began to collect “perpetual care” fees on plot sales that were intended to help fund the care and maintenance of the grounds. These fees have been collected, but have never been recognized into revenue, being deferred. These funds are being collected for a specific purpose, the perpetual care of the cemetery plots, and therefore need to be spent on this purpose. It is proposed that the Town begin to recognize these fees into revenue over a 10 year period (straight line) as a reasonable time frame for the “perpetual” care of these plots.
- Local government grant is the MD contribution to the Cemetery.
- Wages have been significantly reduced to be more in-line with historical actuals.
- Transfer to capital reserve of \$5,000 has been added in the current year to save for the construction of a new columbarium or purchase of new land for additional plots.

PHYSICIAN RECRUITMENT

The Physician Recruitment program is designed to provide incentives to recruit and retain Physicians in the community. This is a program carried out in partnership with Granum, Stavely, and the MD of Willow Creek. This program was used to attract five of the six Doctors we currently have operating in Claresholm.

PHYSICIAN RECRUITMENT	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Local government contributions	-	-	-	(4,500)	(4,500)
Physician recruitment revenue	-	-	-	(4,500)	(4,500)
Physician recruitment	10,000	28,400	27,000	32,134	14,104
Physician recruitment expenses	10,000	28,400	27,000	32,134	14,104
	10,000	28,400	27,000	27,634	9,604
Operational budget adjustments					
Town of Claresholm Contribution	-	-	(27,000)	(30,000)	-
Transfer from reserve - operations	(10,000)	(28,400)	(27,000)	-	-
NET DEFICIT (SURPLUS) PHYSICIAN RECRUITMENT	-	-	(27,000)	(2,366)	9,604

Variance Highlights

- There is only one doctor that will still be receiving some incentives in the 2018 year with a commitment of \$9,000. Another \$1,000 has been added to the budget to cover other incidental incentive or thank you costs that are generally spent each year for recreation or gift baskets.
- The program still has approximately \$25,000 in reserves which will be used to fund the 2018 expenditures. There is no commitment for 2019 and no expectation that an incentive program will be needed in future years based on the current staffing levels, industry and economy. As a result no revenue is being requisitioned from the member municipalities in the current year.

WEEDS & PESTS

The majority of the allocation within the Weeds & Pests budget deals with weed and pest control in parks throughout the Town. The Parks department has trained staff members who provide weed control within the parks.

WEED AND PEST CONTROL	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Wages and benefits	7,168	6,760	3,871	7,634	10,182
Chemical and materials	14,000	7,917	14,000	12,108	2,205
Amortization	27,333	27,333	27,333	27,333	27,333
	48,501	42,010	45,204	47,076	39,720
Operational budget adjustments					
Addback amortization	(27,333)	(27,333)	(27,333)	(27,333)	(27,333)
NET DEFICIT (SURPLUS) WEED AND PEST CONTROL	21,168	14,677	17,871	19,743	12,387

Variance Highlights

- No significant changes to highlight.

ECONOMIC DEVELOPMENT

The Economic Development department is responsible for maintaining the Business Growth & Development Centre, business retention, investment attraction and municipal marketing efforts. This department is guided by the Municipal Strategic Plan and the Economic Development Committee and primarily implemented by the Economic Development Officer.

ECONOMIC DEVELOPMENT	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Grants and contributions	(91,500)	(28,072)	(52,500)	(50)	-
Economic development revenue	(91,500)	(28,072)	(52,500)	(50)	-
Wages and benefits	80,710	76,121	69,850	59,841	-
Materials, supplies and operating expenses	264,400	96,575	104,500	44,033	-
Economic development expenses	345,110	172,696	174,350	103,874	-
	253,610	144,624	121,850	103,824	-
Operational budget adjustments					
Transfer from reserve - operations	(44,750)	(42,000)	(42,000)	-	-
Transfer to reserve - operations	-	-	-	12,000	-
NET DEFICIT (SURPLUS) ECONOMIC DEVELOPMENT	208,860	102,624	79,850	115,824	-

Variance Highlights

- Revenue includes CARES grant applied for in the amount of \$87,500, \$2,000 for Canada Summer Jobs grant, and \$2,000 for other miscellaneous income such as seminar fees and sponsorships.
- Wages and benefits budget was increased to include a summer student on staff for 9 weeks.
- The Economic Development project budget for 2018 is \$286,350 and includes:
 - CARES project – Industrial land development project on annexed land (175K)
 - Downtown - Reinvigoration projects (10K); Events (8K same as prior year)
 - Business Retention: Business Growth and Development Centre (aka EDO office) – supplies, EDO professional development etc. (2.5K); Capacity Building & Entrepreneur Development (3.5K);
 - Marketing: Website continued development and improvements (2K); Gateway signage update (51.5K); Champions Program (2K); Advertising (5K); and contingency (3K).
- Transfer from general operating reserves in the amount of 44,750 to cover half of Town funding portion for CARES grant project.

LAND PLANNING & DEVELOPMENT

The Development Officer provides development services to the municipality and works with the Municipal Subdivision and Development Authority. The planning advice and services are contracted through membership in the Oldman River Regional Services Commission. Building code, gas and plumbing and electrical inspections are currently being provided through a contract with Superior Safety Codes.

LAND PLANNING AND DEVELOPMENT	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Permits	(17,000)	(20,136)	(13,000)	(24,942)	(11,304)
Planning and development fees	(3,500)	(9,389)	(4,000)	(2,945)	(3,325)
Planning and development revenue	(20,500)	(29,524)	(17,000)	(27,887)	(14,629)
Wages and benefits	71,139	72,803	68,603	82,919	101,768
ORRSC membership	57,500	51,069	56,500	55,663	51,408
Legal and professional services	25,625	11,435	20,400	1,116	7,039
Materials, supplies and operating expenses	28,500	-	44,000	700	2,715
Planning and development expenses	182,764	135,306	189,503	140,398	162,930
NET DEFICIT (SURPLUS) PLANNING & DEVELOPMENT	162,264	105,782	172,503	112,511	148,301

Variance Highlights

- Increases in budgeted revenue for permits are based on prior 2 years.
- A 1.5% allowance has been added for a possible ORRSC fees increase in 2017.
- Professional fees includes \$3,500 for the plan cancellation in the NE of Town, \$15,000 to complete the MDP that was started in 2017.
- Operating costs include \$15,000 for phase 1 of road plan project to update and correct road plans for alleys and other areas.

GENERAL RECREATION

The general recreation budget deals with general recreational programming, such as the Southern Alberta Summer Games as well as overarching expenditures such as wages and benefits for the recreation manager. It also includes costs related to the Golf Course include interest expenses on debt related to the Golf Course and the Golf Course Management Fee the Town pays.

GENERAL RECREATION	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Local government grants	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Summer Games local government contribution	(4,600)	(4,850)	-	-	-
General recreation revenue	(29,600)	(29,850)	(25,000)	(25,000)	(25,000)
Golf course management	55,000	50,000	50,000	50,000	50,000
Debenture interest	8,993	11,164	11,263	13,386	15,557
Wages and benefits	66,974	62,018	32,237	27,521	-
Programming expenses	5,000	1,971	7,850	-	14,737
General recreation expenses	135,967	125,153	101,350	90,907	80,294
NET DEFICIT (SURPLUS) PLANNING & DEVELOPMENT	106,367	95,303	76,350	65,907	55,294
Operational budget adjustments					
Transfer from reserve - operations	(50,000)	-	-	-	-
NET DEFICIT (SURPLUS) GENERAL RECREATION	56,367	95,303	76,350	65,907	55,294

Variance Highlights

- Added revenue for Summer Games local government contributions is for new contract with other local municipalities within the MD of Willow Creek to have the Town of Claresholm Recreation Manager coordinate the local summer games registrations.
- Increase of \$5,000 to golf course management fee in response to request from the golf club.
- Debenture interest decreases year over year as debt is repaid.
- \$50,000 transfer from general reserve “debt reduction” to offset approximately half of 2018 debt repayment on recreation loan.

PARKS

The parks budget includes maintenance of the Town's parks as well as the fees and costs related to the Town's campground.

PARKS	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Campground fees	(64,000)	(62,939)	(50,000)	(47,779)	(50,703)
Parks grants and other funding	-	(275)	-	(2,850)	-
Parks revenue	(64,000)	(63,214)	(50,000)	(50,629)	(50,703)
Wages and benefits	110,032	99,419	103,943	95,286	99,345
Materials, supplies and operating expenses	52,000	52,841	50,000	27,543	21,562
Amortization	160,117	158,170	147,644	147,644	149,673
Parks expenses	322,149	310,430	301,586	270,472	270,580
	258,149	247,216	251,586	219,843	219,876
Operational budget adjustments					
Addback amortization	(160,117)	(158,170)	(147,644)	(147,644)	(149,673)
Transfer to reserve - capital	-	-	-	25,000	-
NET DEFICIT (SURPLUS) PARKS	98,032	89,046	103,943	97,200	70,204

Variance Highlights

- \$5,000 increase to campground fees for proposed 10% rate increase.
- Operating expenses reduced back to historic levels. 2017 was high for purchase of shale for the ball diamonds for \$16,000.
- \$9,000 increase to campground fees for rental of the campground office/residence and \$20,000 increase to operating expenses related to the campground operations, adjusting the structure of the current attendant agreement.

ARENA

The Arena operates an ice area during the winter and is also used for lacrosse and other rentals during the summer. The main users of the Arena are the Claresholm Minor Hockey Association and the Figure Skating Club.

ARENA	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Minor hockey	(30,000)	(32,416)	(29,450)	(34,168)	(29,396)
Figure skating	(9,000)	(8,261)	(10,000)	(10,076)	(11,655)
Other rentals	(19,000)	(23,138)	(20,500)	(19,381)	(17,248)
Advertising	(4,000)	(5,193)	(4,000)	(3,825)	(3,725)
Arena revenue	(62,000)	(69,008)	(63,950)	(67,450)	(62,023)
Wages and benefits	111,331	120,912	81,313	102,442	95,107
Materials, supplies and operating expenses	94,200	73,569	83,000	86,973	62,788
Amortization	37,457	36,059	34,695	34,695	35,563
Arena expenses	242,988	230,540	199,007	224,109	193,458
	180,988	161,532	135,057	156,659	131,434
Operational budget adjustments					
Addback amortization	(37,457)	(36,059)	(34,695)	(34,695)	(35,563)
Transfer to reserve - capital	-	-	-	39,238	-
NET DEFICIT (SURPLUS) ARENA	143,531	125,473	100,363	161,202	95,872

Variance Highlights

- Reduced minor hockey and figure skating rentals for decreased usage due to decreased registrants. This is slightly offset for proposed 5% rental rate increase, but isn't expected to offset the reduced rental time.
- Operating expenses were increased \$15,000 for Compressor #2 rebuild, \$2,000 for utility rate increases, and \$1,100 for active fire/ammonia detection monitoring.

AQUATIC CENTRE

The Aquatic Centre is owned by Alberta Health Services and shares the facility with the Town for the Town residents use and benefit. The Town operates the facility covering some of the maintenance costs, lifeguards, and programming expenses.

AQUATIC CENTRE	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Lessons	(60,375)	(66,012)	(57,500)	(66,092)	(58,362)
Gate admission	(46,440)	(42,485)	(43,000)	(50,048)	(42,233)
Rentals	(18,000)	(18,801)	(19,000)	(19,953)	(20,213)
Other funding	(12,000)	(25,349)	-	(4,000)	-
Aquatic Centre revenue	(136,815)	(152,647)	(119,500)	(140,093)	(120,808)
Wages and benefits	228,333	239,639	252,062	261,091	269,294
Materials, supplies and operating expenses	45,300	43,425	31,500	31,152	26,021
Amortization	17,016	17,745	18,656	18,656	19,795
Aquatic Centre expenses	290,649	300,808	302,218	310,899	315,111
	153,834	148,161	182,718	170,806	194,303
Operational budget adjustments					
Addback amortization	(17,016)	(17,745)	(18,656)	(18,656)	(19,795)
NET DEFICIT (SURPLUS) AQUATIC CENTRE	136,818	130,416	164,062	152,149	174,507

Variance Highlights

- Proposed 5% increase in lessons, and approximately 10% increase in gate admissions.
- Drop in rental revenue due to Fort Macleod Schools utilizing their own Town's pool more for lessons rather than renting ours.
- Operating expenses increased for some equipment upgrades and replacement of window blinds.

MUSEUM

The Museum Board oversees the operation of the Museum in cooperation with the Museum Executive Director and administrative staff and provides recommendations to Council on the budget. The Museum budget includes the operations of two buildings, the Historic CPR Train Station and Museum Exhibit Hall. The Visitor Information Centre operates out of the Historic CPR Train Station. Both are open to the public from May to early October, plus some off season special events.

MUSEUM	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Sales	(550)	(475)	(2,200)	(1,899)	(2,916)
Donations	(3,500)	(6,947)	(6,200)	(13,162)	(2,141)
Grants	(47,915)	(48,208)	(79,334)	(39,093)	(41,879)
Museum revenue	(51,965)	(55,630)	(87,734)	(54,154)	(46,936)
Wages and benefits	79,250	81,563	104,600	72,224	59,110
Materials, supplies and operating expenses	43,020	38,986	44,092	38,264	40,799
Professional development	2,000	1,789	2,500	3,088	2,152
Amortization	23,381	22,972	23,683	23,683	24,303
Museum expenses	147,651	145,310	174,874	137,259	126,364
	95,686	89,681	87,140	83,104	79,428
Operational budget adjustments					
Addback amortization	(23,381)	(22,972)	(23,683)	(23,683)	(24,303)
NET DEFICIT (SURPLUS) MUSEUM	72,305	66,708	63,458	59,422	55,125

Variance Highlights

- Sales budget was reduced to show only the Museum's portion of consignment sales.
- Museum grant revenue includes grant funding: \$25,000 operational grant, \$12,915 for summer jobs, \$3,000 for publication of walking tour, plus \$1,000 other. None are confirmed.
- Wages & benefits for the museum are on par with 2017 actual staffing levels as hoping for same staffing levels in 2018. This is less than budgeted for 2017.
- Materials, supplies and operating expense decreased by \$1,400 for reducing number of storage rentals and utilities decreased to be more in-line with 2017 actuals due to increased efficiency of new heating units installed in 2016.
- Added \$6,000 to Federal grant revenue and program expenses to defer the completion of the RCAF Virtual Museum project that wasn't completed in 2017.

LIBRARY

The local Library Board oversees the activities and budget requests. The Municipality is a member of the Chinook Arch Regional Library system which is a network of independent, cooperating libraries in the southwestern corner of Alberta. Chinook Arch provides training, consulting, IT support and centralized purchasing, cataloguing, processing, and delivery services.

LIBRARY	Budget 2018	Actual 2017	Budget 2017	Actual 2016	Actual 2015
Grant	185,500	174,740	179,740	169,650	164,697
Chinook Arch membership	29,673	28,636	28,636	27,809	27,058
Amortization	25,593	25,593	25,593	25,593	25,593
	240,766	228,969	233,969	223,052	217,348
Operational budget adjustments					
Addback amortization	(25,593)	(25,593)	(25,593)	(25,593)	(25,593)
NET DEFICIT (SURPLUS) LIBRARY	215,173	203,376	208,376	197,459	191,755

Variance Highlights

- Local library requisition includes a 3% increase.
- In addition to the base requisition of \$180,000 for 2018, the budget also includes \$3,500 to replace windows with broken seals, and \$2,000 to improve the boulevard to the NE end of the driveway.
- Approximate 3.5% increase for Chinook Arch library fees for 2018.

DEPARTMENT
CAPITAL
BUDGETS

Funding Sources for Capital Projects

Provincial and Federal grants are available each year to assist the municipality to fund major infrastructure projects. The Council has additional options to consider such as reserves, tax or utility funding. The following is a brief explanation of capital project funding source options.

Federal Gas Tax Fund (FGT)

Each year, the federal FGT assists municipalities by providing funding for local infrastructure projects. Funding is provided to the Province, who in turn flows this funding to the municipality. This program has been legislated as a permanent source of Federal infrastructure funding for municipalities. The program is broad-based and allows municipalities to use the funding toward a wide range of projects to meet local priorities.

Municipal Sustainability Initiative (MSI)

Municipalities in Alberta are eligible for funding under the **MSI** program based on the terms set out in long-term funding agreements with the Province. Municipalities determine projects and activities to be funded based on local priorities within the general criteria set out in the program guidelines and are encouraged to take a long-term approach to planning for capital projects.

Alberta Municipal Water/Wastewater Partnership (AMWWP)

The **AMWWP** is a competitive grant program that provides cost-shared funding to eligible municipalities to assist in the construction of municipal water supply and treatment and wastewater treatment and disposal facilities. Funding is provided for the construction of high-priority water supply and treatment and wastewater treatment and disposal facilities. Water distribution and/or sewage collection systems are not eligible for assistance.

Alberta Historic Resources Conservation Grant

Historic Resource Conservation grants provide project funding for conservation of Alberta's historic places and can include restoration, architectural and/or engineering services, studies reports or plans associated with the conservation of the historic place. Matching grants are awarded up to 50% of eligible costs. Conservation includes actions or processes that safeguard character-defining elements of a historic place to retain the heritage value and extend physical life. This may involve one or more conservation treatments—preservation, rehabilitation or restoration. The maximum matching grants per application **per year** are as follows: Provincial Historic Resources – \$100,000; Municipal Historic Resources – \$50,000; Local (non-designated) Historic Resources – one-time grant of \$5,000.

Alberta Community Resilience Program (ACRP)

The **ACRP** is a multi-year provincial grant program supporting the development of long-term resilience to flood and drought events, while supporting integrated planning and healthy,

functioning watersheds. These grants will support the design and construction of projects that enhance or enable the protection of critical infrastructure from flooding and drought events, and help ensure public safety is protected.

Community Facility Enhancement Program (CFEP)

The **CFEP** is a competitive grant program that assists with foster the unique characteristics of Alberta's many communities. The aim of the program is to reinvest revenues generated from provincial lotteries into communities, empower local citizens and community organizations to work together and to respond to local needs. The maximum amount per application (one facility) is \$125,000 per fiscal year.

Municipalities are not eligible for this funding and therefore must partner with a local organization to access these grants.

Alberta Recycling – Municipal Demonstration Grant Program

The grant program offers up to \$30,000 per applicant to purchase recycled tire products for public projects such as parks, arenas, walking trails, and recreational facilities etc.

Reserves/Restricted Surplus

As a means of solid financial planning, Council has created a number of special reserve funds to address both future operational and especially, capital resource needs. These funds address new acquisition and replacement, but have general restrictions on use. Through the budget process, the Town will designate funds that have been internally restricted to finance those projects for which the funds have been ear-marked.

Sundry Trust

Sundry trust is an account where funds that have been donated or provided to the Town to be held in trust for a specific purpose are retained.

Utility Funded

Revenue generated through utility rates is intended to fully fund operational costs including amortization. As the utilities become closer to full-cost recovery, amounts generated to fund amortization can be used to fund capital projects. If there is no required capital replacement for a utility in any given year, the amortization amount may be reserved for future capital projects.

The following table summarizes the anticipated funding sources for the capital projects for the upcoming year.

FUNDING SOURCES FOR THE YEAR	
Alberta Community Resilience Program Grant (ACRP)	(3,451,058.00)
Municipal Sustainability Grant (MSI)	(2,028,779.00)
Community Facility Enhancement Program (CFEP)	(560,786.00)
Federal Gas Tax Fund (FGTF)	(342,500.00)
Alberta Municipal Water/Wastewater Partnership (AMWWP)	(45,900.00)
<i>Total Government Transfers for Capital</i>	(6,429,023.00)
Transfers from reserves	(508,485.00)
Proceeds from long-term debt	(400,000.00)
Community contributions and donations	(144,300.00)
Local government contributions	(144,000.00)
Proceeds on sale or trade-in of vehicles and equipment	(40,000.00)
Tax funded	(21,500.00)
TOTAL FUNDING	<u>(7,687,308.00)</u>

Capital Summary Budget

ENGINEERING STRUCTURES PROJECTS	Funding	Expenditure
Municipal Stormwater System Upgrade - Phase 1 (carryforward from 2016/17 budgets)		2,619,667
<i>Funding: ACRP Grant</i>	(1,833,767)	
<i>Funding: MSI Grant</i>	(785,900)	
Municipal Stormwater System Upgrade - Phase 2		1,796,990
<i>Funding: ACRP Grant</i>	(1,617,291)	
<i>Funding: MSI Grant</i>	(179,699)	
Sewer Trunk Main - Airport to Lagoon		1,140,000
<i>Funding: Debt</i>	(400,000)	
<i>Funding: FGTF Grant</i>	(285,000)	
<i>Funding: MSI Grant</i>	(255,000)	
<i>Funding: Capital Water and Sewer Reserve</i>	(200,000)	
Pavement Overlay - 100 block of 55th Ave W, 400 & 500 blocks of 49th Ave W, Saskatchewan Cres. Phase 1		380,000
<i>Funding: MSI Grant</i>	(380,000)	
Walking Paths		230,000
<i>Funding: CFEP Grant</i>	(100,000)	
<i>Funding: Capital Parks and Pathways Reserve</i>	(90,000)	
<i>Funding: Community contributions and donations</i>	(40,000)	
Sidewalks and ramp replacement and upgrades		30,000
<i>Funding: FGTF Grant</i>	(30,000)	
ENGINEERING STRUCTURES TOTAL		3,576,990

VEHICLE PURCHASES & PROJECTS		
1 Ton Service Truck with Toolbox		85,000
<i>Funding: MSI Grant</i>	(85,000)	
Sewer Flusher Truck (carryforward from 2017 budget)		288,180
<i>Funding: MSI Grant</i>	(288,180)	
Town Float upgrade		10,000
<i>Funding: Tax funded</i>	(10,000)	
VEHICLE TOTAL		383,180

BUILDINGS PROJECTS	
Multi-use Community Building - Architectural update	18,750
<i>Funding: Capital Multi-use Building Reserve</i>	<i>(18,750)</i>
Arena Ice Surface Floor & Boards Replacement	780,721
<i>Funding: CFEP Grant</i>	<i>(405,786)</i>
<i>Funding: Capital Arena Reserve</i>	<i>(154,135)</i>
<i>Funding: Local Governement Contributions</i>	<i>(144,000)</i>
<i>Funding: Community contributions and donations</i>	<i>(76,800)</i>
Firehall Building Upgrades	55,000
<i>Funding: MSI Grant</i>	<i>(55,000)</i>
Curling Rink Plant Upgrades (Brine Chiller)	110,000
<i>Funding: CFEP Grant</i>	<i>(55,000)</i>
<i>Funding: FGTF Grant</i>	<i>(27,500)</i>
<i>Funding: Community contributions and donations</i>	<i>(27,500)</i>
BUILDINGS TOTAL	964,471

MACHINERY & EQUIPMENT PURCHASES	
Water Treatment Plant SCADA Control	85,000
<i>Funding: AMWWP Grant</i>	<i>(45,900)</i>
<i>Funding: Capital Water and Sewer Reserve</i>	<i>(39,100)</i>
ITRON Water Meter Mobile Data Collection Upgrade	6,500
<i>Funding: Capital Water and Sewer Reserve</i>	<i>(6,500)</i>
Bobcat Replacement	44,000
<i>Funding: Trade-in</i>	<i>(40,000)</i>
<i>Funding: Tax funded</i>	<i>(4,000)</i>
Town Shop overhead crane replacement	7,500
<i>Funding: Tax funded</i>	<i>(7,500)</i>
MACHINERY & EQUIPMENT TOTAL	143,000

ENGINEERED STRUCTURES

Carryforward Capital Project from 2016/2017	
Project Name	Phase 1 – Storm Water Drainage Improvements
Anticipated Start	2016
Project Description	Phase 1 of Town’s Storm Management Plan including Storm Water Management Facility and upgrade of 8 th Street Ditch.
Remaining Cost	\$2,619,677
Funding Sources	ACRP and MSI Grants
Rationale for need	Try to prevent flooding reoccurrence to homes in Town.
Impact on future operating costs	More maintenance on new apparatuses will be required.
Implications of deferring this project	If nothing is done to address the problems outlined in the Storm water management Plan, we may see re-occurrences of flooding in Town.

2018 Capital Project	
Project Name	Phase 2 Storm water management plan
Anticipated Start	2018
Project Description	Golf Course Ditch, Centennial Park, main outfall upgrade
Project Cost	\$1,796,990
Funding Sources	ACRP and MSI Grants
Rationale for need	As recommended in Town’s Storm Water Management plan for flood prevention.
Impact on future operating costs	No more maintenance is anticipated than what currently is the Town’s practice.
Implications of deferring this project	Repeat of 2014 flood damages.

2018 Capital Project	
Project Name	Sewer trunk main replacement (Phase II)
Anticipated Start	2018
Project Description	Airport to Lagoon portion of Sewer main. Replacing 1900 meters of 525mm concrete sewer main to 750mm plastic.
Project Cost	\$1,140,000.
Funding Sources	FGTF & MSI Grants, Debt, and Capital Reserves
Rationale for need	Currently a bottle neck occurs in this location where two lines merge into one. The concrete sewer main has been eroded by sewer and pipe wall thickness has been reduced.
Impact on future operating costs	No extra costs are expected after completion.
Implications of deferring this project	This section handles all Sanitary Sewer for the Town. A system failure could be extremely detrimental to the Town

2018 Capital Project	
Project Name	New Sidewalk Construction & new wheel chair ramps
Anticipated Start	2018
Project Description	New sidewalk to connect fragmented portions in Town, Drop in Center to Museum exhibit hall, + 6 wheel chair ramps in various areas
Project Cost	\$30,000.00
Funding Sources	FGTF Grant
Rationale for need	Public safety. The number of people walking on roadways is increasing.
Impact on future operating costs	Maintenance budget/time will increase in future as more sidewalks are added.
Implications of deferring this project	Continued complaints and requests by the public to add and connect these sidewalks and access issues.

2018 Capital Project	
Project Name	New Pavement & Pavement Overlay
Anticipated Start	2018
Project Description	Paving of additional section of Saskatchewan Cres. as well as pavement overlay to damaged roads including 100 block of 55 th Ave West and 400 & 500 blocks of 49 th Ave. West.
Project Cost	\$380,000.
Funding Sources	MSI Grant
Rationale for need	Currently 16 blocks are in need of repaving. Repairs will be completed on a priority basis.
Impact on future operating costs	No extra costs are anticipated. Less manpower required for maintenance over the next few years.
Implications of deferring this project	Increasing damage to road surfaces, resulting in more complaints to the Town and Council and gets more expensive to repair.

2018 Capital Project	
Project Name	Walking Paths
Anticipated Start	2018
Project Description	Expand walking paths throughout town.
Project Cost	\$230,000.
Funding Sources	CIP & CFEP Grants, Capital Reserves & Community contributions and donations
Rationale for need	Additional walking paths throughout and around Town was seen as a priority of the 2017 Parks and Recreation Master Plan.
Impact on future operating costs	Additional maintenance costs for clearing and repairing pathways.
Implications of deferring this project	May hinder future economic and population growth and increased risk of vehicle/pedestrian collision due to individuals walking on the roads due to lack of pathways.

VEHICLES

2018 Capital Purchase	
Project Name	Fleet Replacement
Anticipated Start	2018
Project Description	Replacement of 1 ton truck & deck to fleet (Service truck) Used
Project Cost	\$85,000. Used price based on published adds
Funding Sources	MSI Grant
Rationale for need	Reliable vehicles are needed in all departments A replacement cycle based on a priority list has be implemented. Replace an existing ¾ ton service truck that is underpowered when towing the oiler or Bobcat.
Impact on future operating costs	Maintenance and replacement parts costs are constantly increasing.
Implications of deferring this project	This unit is our main work truck that carries tools to all sites. Priority vehicle in our fleet.

Carryforward Capital Purchase from 2017	
Project Name	New Sewer flushing truck
Anticipated Date	2017
Project Description	Replacement of sewer flusher.
Project Cost	\$288,180.
Funding Sources	MSI grant
Rationale for need	This unit is a 1991 truck with a 1999 flusher mounted on the rear. This unit maintains the sewer system and is essential to unplug the sewer mains when there is a problem. The machine works in a harsh environment and deteriorates at an increased rate.
Impact on future operating costs	Reduced repair costs.

2018 Capital Project	
Project Name	Town float renewal
Anticipated Date	2018
Project Description	Redo, repair and repaint the aging float to represent Claresholm
Project Cost	\$10,000
Funding Sources	Tax Funded
Rationale for need	Trailer skirting is in poor condition. Painting of landscape is deteriorating. Needs refreshing.
Impact on future operating costs	No impact on future operations.
Implications of deferring this project	Cannot find people to drive the float.

BUILDINGS

2018 Capital Project	
Project Name	Multi-Use Community Complex – Architectural Update
Anticipated Start	2018
Project Description	Update design and project plans to minimize costs and changes to the existing building and allow for phasing of the renovations.
Project Cost	\$18,750
Funding Sources	Capital Reserves
Rationale for need	Existing office is over 70 years old and has reached its useful life, without major renovations.
Impact on future operating costs	Unknown at this time.
Implications of deferring this project	Current Administration building does not meet fire code, asbestos contamination, and internal plumbing replacement needed.

2018 Capital Project	
Project Name	Arena Ice Surface Floor Replacement
Anticipated Start	2018
Project Description	Ice Arena floor and board replacement
Project Cost	\$735,000.
Funding Sources	Arena reserve fund/ donations/ grants
Rationale for need	Replacement was recommended approximately 9 years ago. The in floor piping system is 35 years old. One major leak and the arena will be unusable for the season. The boards are worn out as well.
Impact on future operating costs	A newer system will operate more efficiently, therefore optimizing energy requirements.
Implications of deferring this project	Failure to provide scheduled winter programs for affected season.

2018 Capital Project	
Project Name	Firehall building upgrades
Anticipated Start	2018
Project Description	New air makeup unit for exhaust removal inside the hall, overhead heater replacement and power panel upgrades. 3 phase 200 amp service will be required.
Project Cost	\$55,000.
Funding Sources	MSI Grant
Rationale for need	Most of the Fire trucks are now diesel. The smoke is thick in the hall when trucks are getting moved or responding as not all fire fighters are leaving the hall in the first trucks responding to the call.
Impact on future operating costs	Maintenance will be required yearly on the units, should be cheaper than the old units to operate and maintain.
Implications of deferring this project	These overhead heaters are the original unit heaters and need replacement as they are not reliable. The levels allowed for exhaust exposure are lower now than when this building was designed.

2018 Capital Project	
Project Name	Curling Rink plant upgrade
Anticipated Start	2018
Project Description	Replace the brine chiller at the curling rink. This pressure vessel was recommended for replacement in 2013, when the compressor was changed.
Project Cost	\$110,000.
Funding Sources	CFEP & FGTF Grants and Community contributions
Rationale for need	This is a critical part of the plant that must be certified yearly as it is a pressure vessel.
Impact on future operating costs	Could reduce an emergency repair cost, and when replaced should operate more efficiently.
Implications of deferring this project	System failure, loss of use of curling rink until replaced. (Approximately 1 month project).

MACHINERY & EQUIPMENT

2018 Capital Purchase	
Project Name	SCADA Control Human Interface Machine
Anticipated Date	2018
Project Description	Update/Replace SCADA Control for Water Treatment Plant
Project Cost	\$85,000
Funding Sources	AMWWP Grant and Capital Reserves
Rationale for need	The water plant SCADA control system is in need of an upgrade. The current SCADA computers are utilizing Windows XP, which has not been supported by Microsoft since April 18 th , 2014. The SCADA software on the PC is RsView32 is not compatible with the newer 64 bit operating systems. The existing SCADA computers were installed in 2010 and have a typical lifespan of five years. This upgrade will ensure the HMI and operator have access to run the system.
Impact on future operating costs	Future operating costs would be minimal
Implications of deferring this project	Deferring this project could possibly include a complete failure of the water plant control system.

2018 Capital Purchase	
Project Name	ITRON MOBILE DATA COLLECTION UPGRADE
Anticipated Date	2018
Project Description	Replace/Upgrade Wireless Utility Meter Reader
Project Cost	\$6,500
Funding Sources	Capital reserve
Rationale for need	The current FC200 handheld is no longer compatible with newer technology and maintenance service is almost obsolete.
Impact on future operating costs	Future operating costs would include preventive maintenance on the system.
Implications of deferring this project	Deferring this project will have no implications unless there is a complete failure of the collection system tools.

2018 Capital Purchase	
Project Name	Bobcat replacement program
Anticipated Start	Yearly
Project Cost	\$4000.
Funding Sources	Operations budget
Rationale for need	The program involves rotating old machine for a new machine yearly. The equipment is only covered by one year warranty and with some service of the machine included, we are keeping our costs for operations at the lowest possible for the Town.
Impact on future operating costs	This purchase procedure eliminates the chance of major repairs as we always have new warranty coverage
Implications of deferring this project	The value of our Bobcat will drop yearly and the cost for maintenance will also increase as this machine is used for 250+ hours per year. No warranty coverage unless we purchase extended warranty at almost \$2500.00 dollars per year.

2018 Capital Purchase	
Project Name	Overhead crane hoist replacement
Anticipated Date	2018
Project Description	Replace worn out crane at the shop
Project Cost	\$ 7,500
Funding Sources	Tax funded
Rationale for need	Unit needs yearly certification and this original unit is worn out.
Impact on future operating costs	No future impact is expected.
Implications of deferring this project	Crane could fail causing injury, or unable to re-certify and unusable.