



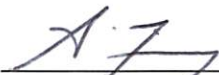
Claresholm

Where **Community** Takes Root

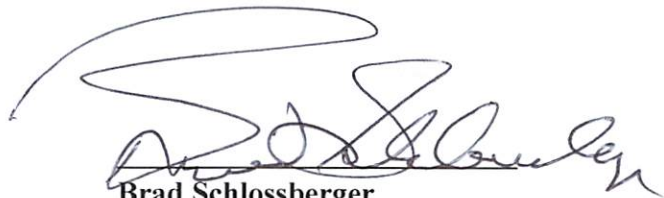
Final Budget Document

2023

April 24, 2023



Abe Tinney
CAO



Brad Schlossberger
Deputy 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:

- General administration
- Police and fire protection
- Emergency management
- Transportation infrastructure, including roads, sidewalks, street lights, etc.
- Social services, including Family and Community Support Services (required municipal contribution), daycare, and funding to other community organizations
- Planning, land development, and economic development
- Parks, recreation, and leisure facilities
- Cultural facilities and programming, including libraries and museums
- 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 Property Tax 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 table below portrays the tax rates in a format known as a “mill rate”. A property assessment value is divided by 1,000 before the mill rate is applied. The tax rate bylaw however shows the rates in a “tax rate” instead of “mill rate” format. So for example the 2016 Municipal Residential rate would be displayed as 0.0065130 in the tax rate bylaw.

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 2017.

	2017	2018	2019	2020	2021	2022	2023
Municipal Residential	6.7050	6.7997	6.7282	6.7691	6.9020	6.9784	TBD
Municipal Non Residential	12.5841	11.5303	11.4000	11.3770	11.5988	11.7152	TBD
Municipal Vacant Residential & Farmland	14.0650	6.7997	6.7282	6.7691	6.9020	6.9784	TBD
Annexed Residential	3.4000	3.4000	3.8760	3.9560	4.0750	3.8550	TBD
Annexed Farmland	6.8890	6.8890	7.3650	7.4450	7.7830	8.1610	TBD
Annexed Non-Residential	7.4890	7.7930	7.9690	8.1360	8.2520	8.1070	TBD
Porcupine Hills Lodge – Residential, Non-Residential, Vac. Res. & Farmland	0.2767	0.2672	0.2659	0.2605	0.2510	0.2623	TBD
Annexed Porcupine Hills Lodge – Residential, Non-Residential, Vac. Res. & Farmland	0.3120	0.3030	0.2930	0.2760	0.2940	0.2000	TBD
Education ASFF – Residential, Vacant Res. & Farmland	2.5318	2.5334	2.4655	2.5379	2.6396	2.5640	TBD
Education ASFF - Non Residential	3.7897	3.4159	3.5160	3.7339	3.0148	4.1994	TBD
Annexed Education ASFF – Res., Vac. Rec., & F.L.	2.4960	2.5010	2.5150	2.4850	2.5800	2.5460	TBD
Annexed Education ASFF – Non-Residential	4.1220	3.7180	3.7020	3.6490	3.8590	3.5980	TBD

Town of Claresholm Budget Comparative Statement of Operations

	2023 Budget	2022 Budget
Revenue		
Net municipal taxes (Schedule 1)	3,745,982	3,661,934
User fees and sales of goods	3,448,962	3,101,490
Government transfers for operating	643,751	539,440
Investment income	105,000	66,000
Penalties and costs of taxes	86,600	80,100
Licenses and permits	113,500	113,000
Franchise and concession contracts	292,000	262,000
Rental	130,700	120,330
Other	166,700	163,370
Total Revenue	8,733,195	8,107,664
Expenses (includes amortization)		
Legislative	116,150	116,900
Administration	1,536,466	1,558,911
Policing	224,238	168,179
Fire	237,464	230,898
Bylaw enforcement	139,548	138,739
Common and equipment pool	598,057	614,903
Roads, streets, walks and lighting	932,822	857,799
Storm sewers and drainage	255,284	265,960
Water supply and distribution	1,323,456	1,265,960
Wastewater treatment and disposal	506,753	533,866
Solid waste management	693,411	686,284
Family and community support services	246,868	252,438
Day care	25,000	36,292
Cemeteries and crematoriums	24,941	20,526
Other public health and welfare	3,000	3,000
Weed and pest control	48,992	46,653
Economic development	354,268	417,226
Subdivision land and development	304,158	194,554
Parks and recreation	1,062,425	998,015
Culture - libraries, museums and halls	417,415	403,601
Total Expenses	9,050,716	8,810,704
Deficiency of revenue over expenses before other	(317,521)	(703,040)

Other		
Government transfers for capital	1,319,018	1,691,734
Other external funding for capital	148,500	-
Surplus (deficiency)	1,149,997	988,694
Adjustment for Non-Cash items		
Amortization expenses	1,792,787	1,805,159
Adjustment for cash items that are not revenues and expenses (but are sources or uses of funds)		
Capital expenditures	(2,559,262)	(2,259,334)
Debt proceeds	-	-
Debt principal repayment	(352,874)	(337,127)
Transfers to reserves from operations	(1,119,272)	(819,223)
Transfers to operations from reserves	61,880	99,231
Transfer from reserves for capital	1,026,744	522,600
Budget balance	-	-

Schedule 1	2023 Budget	2022 Budget
Taxation		
Property taxes: Vacant residential and farmland	35,539	35,501
Property taxes: Non-residential	1,392,902	1,351,737
Property taxes: Linear property	135,120	131,217
Property taxes: Residential	3,651,654	3,566,871
Federal grants in lieu of taxes	6,906	6,746
Provincial grants in lieu of taxes	24,858	24,282
Local improvement taxes	3,290	5,140
	5,250,269	5,121,494
Less: Requisitions		
Alberta school foundation fund	1,344,142	1,338,137
Porcupine Hills Lodge	159,485	120,788
Designated Industrial Property	660	635
	3,745,982	3,661,934

DEPARTMENT
OPERATING
BUDGETS

4 Year Operating Budgetary Deficit (Surplus) Summary By Function

Excludes Amortization and Capital

OPERATING BUDGET DEFICIT (SURPLUS)	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Council	116,150	115,067	116,900	108,042	83,060
Municipal general revenue and requisitions	(4,240,492)	(4,224,423)	(4,066,394)	(4,028,540)	(3,965,227)
General administration	1,183,509	1,272,289	1,221,573	1,365,773	1,205,953
Policing	220,238	136,604	153,179	100,875	45,682
Fire department	222,667	215,007	215,007	190,094	160,253
Bylaw enforcement	85,171	70,514	68,573	58,891	78,219
Equipment pool	466,757	433,284	420,745	500,034	533,168
Roads and streets	597,455	640,674	581,151	519,694	622,778
Airport	-	-	-	17,250	23,271
Storm sewer utility	13,140	8,843	12,029	3,763	30,047
Water utility	(165,672)	(157,320)	(157,320)	(162,894)	(148,364)
Sanitary sewer utility	(133,916)	(120,651)	(127,129)	(113,469)	(234,630)
Garbage collection	-	15,015	2	15,279	-
Recycling	-	(15,015)	-	(15,279)	(264,377)
Childcare contribution	25,000	36,292	36,292	38,202	38,200
Family & Community Support Services (FCSS)	(0)	(0)	-	(0)	6,139
Cemetery	10,019	7,531	6,902	10,456	8,739
Other public health and welfare	-	-	-	-	-
Weed and pest control	21,609	14,145	19,270	14,141	15,294
Economic development	83,311	153,540	164,329	145,771	120,333
Planning and development	199,058	122,696	112,454	118,398	117,835
General recreation	83,289	61,752	80,922	(6,709)	59,039
Parks	129,146	196,239	116,660	125,884	96,991
Arena	185,280	192,000	156,413	139,955	164,344
Aquatic Centre	145,516	162,666	139,212	132,774	153,857
Museum	125,725	107,540	119,563	125,152	68,753
Library	233,396	225,744	225,744	190,499	224,332
OPERATIONAL NET DEFICIT (SURPLUS)	(393,645)	(329,968)	(383,923)	(405,963)	(756,311)

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Wages, meetings and per diems	101,400	99,051	101,900	92,757	81,065
Travel and conventions	10,500	7,763	5,000	11,916	1,535
Education	4,000	2,607	4,000	3,369	460
Materials, supplies and operating costs	250	5,647	6,000	-	-
NET DEFICIT (SURPLUS) COUNCIL	116,150	115,067	116,900	108,042	83,060

Members of Council sit on various internal and external boards and committees and are compensated according to Bylaw #1713.

	2023 Remuneration Fees
Mayor – Annual	\$8,800/year
Councillors– Annual	\$6,160/year
Council Meetings	\$154/meeting attended
Per Diem Half Day or Evening (4 - 6 hours)	\$126.50/half day
Per Diem Full Day (6 hours or more)	\$253/full day
Per Diem Less Than 4 Hours	\$25.30/hour
Mileage	\$0.68/km
Meals and accommodation at cost	Upon submission of valid receipts

Variance Highlights

- Slight drop in wages, meetings and per diems for a decrease in meals for meetings.
- Travel and conventions increased in 2023 due to under budgeting in 2022, plus increasing the number of Councillors going to the annual Alberta Municipalities convention (formally known as AUMA Convention) from 2 to 3 (Mayor plus 2 Councillors). Still down significantly from historical pre-covid costs when all 7 Councillors would attend.
- Materials, supplies and operating costs decreased to a small \$250 amount for contingency. \$6K in last year was to purchase new tablets for Council at the beginning of their term. This is only done once every 4 years.

MUNICIPAL GENERAL REVENUE AND REQUISITIONS

General Revenue is generated from Municipal Property Taxes and Grants In Lieu. Grants in lieu are received for properties owned by the Provincial and Federal Governments and are traditionally equal to the taxes that would have been paid if the property was not exempt from taxation, however since 2020 the Alberta Government reduced their payment to only 50% of this amount. This budget also includes (in “General municipal revenue”) the ATCO Gas & Fortis franchise fees as well as investment income.

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.

MUNICIPAL GENERAL REVENUE & REQUISITIONS	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Taxes	(5,215,215)	(5,094,248)	(5,085,326)	(4,854,555)	(4,596,577)
Grants in lieu	(31,764)	(31,027)	(31,028)	(29,566)	(29,090)
Taxes and grants in lieu	(5,246,979)	(5,125,275)	(5,116,354)	(4,884,121)	(4,625,668)
General municipal revenue	(497,800)	(558,071)	(409,600)	(500,059)	(633,111)
General municipal revenue	(497,800)	(558,071)	(409,600)	(500,059)	(633,111)
Designated Industrial Property	660	-	635	-	-
Home for aged - Porcupine Hills Lodge	159,485	120,788	120,788	114,023	114,139
School Foundation Program - res. & farmland	966,775	943,258	943,259	931,304	886,088
School Foundation Program - non-residential	377,367	394,878	394,878	310,314	293,325
NET DEFICIT (SURPLUS) GENERAL	(4,240,492)	(4,224,423)	(4,066,394)	(4,028,540)	(3,965,227)

Variance Highlights

- Increase in tax revenue is approximately 2.37% overall, which includes increases in requisitions. Property tax revenue for municipal purposes increased 2.08% over 2022 actuals, with half of that increase coming from new development.
- General municipal revenue is up significantly due to increased investment revenue from rising interest rates, and increased Franchise Fees due to inflationary increases from Fortis and ATCO
- Porcupine Hills Lodge requisition increased substantially. The Town has no control over this.
- School requisitions had a 2.5% increase for residential and a 4.4% decrease for non-residential.

ADMINISTRATION

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

ADMINISTRATION	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Business licenses	(28,000)	(24,498)	(28,000)	(26,875)	(28,480)
General administrative revenue	(151,800)	(340,913)	(100,280)	(219,798)	(320,156)
Administrative general revenue	(179,800)	(365,411)	(128,280)	(246,673)	(348,636)
Wages and benefits	689,835	707,848	665,925	676,628	630,884
Consultant fees	40,240	49,438	50,175	34,117	27,759
Materials, supplies and operating costs	370,950	346,589	348,053	325,498	301,950
Assessor	53,778	53,110	52,724	54,648	51,648
Auditor	16,116	15,645	15,645	15,190	19,780
Legal	15,000	11,105	15,000	13,640	19,306
Municipal grants	94,608	89,310	89,000	73,455	82,531
Celebrations	33,500	40,959	23,500	9,751	10,078
Tax levy cancellations and discounts	15,000	14,622	75,050	110,199	13,149
Public relations and taxi subsidy	11,000	14,057	11,500	20,259	9,188
Staff development and training	6,000	5,159	8,500	1,217	6,752
Debt interest	69,244	70,887	70,962	72,563	40,134
Amortization	121,194	132,877	132,877	80,215	22,931
Administrative general expenses	1,536,466	1,551,606	1,558,911	1,487,380	1,236,090
	1,356,666	1,186,196	1,430,631	1,240,707	887,454
Operational budget adjustments					
Addback amortization	(121,194)	(132,877)	(132,877)	(80,215)	(22,931)
Transfer from reserve - operating	(31,000)	(58,576)	(30,900)	(75,842)	(30,871)
Internal charges to other departments	(88,590)	(88,590)	(88,590)	(84,090)	(78,575)
Internal transfers (expenses)	48,449	53,084	43,309	57,704	55,263
Transfer to reserve - operating	19,178	130,923	-	109,076	127,659
Transfer to reserve - capital	-	182,129	-	198,433	267,955
NET DEFICIT (SURPLUS)					
ADMINISTRATION	1,183,509	1,272,289	1,221,573	1,365,773	1,205,953

Variance Highlights

- Large increase to general administrative revenue (\$51K) primarily due to doubling of MSI Operating grant from the provincial government passed in their 2023/2024 budget (\$36K), plus adding budgeted dollars for local donations/contributions to community events/celebrations, and an increase to “miscellaneous” income based on historical actuals.
- Wages and Benefits increase here, and throughout the budget, is primarily for cost of living adjustment/increases, plus a significant increase on extended health and dental benefit rates.
- Reduction (10K) in consultant fees – prior year included an extra one-time project that isn’t recurring in 2023.
- Materials, supplies and operating costs increased (21K) which is primarily increases in insurance costs (15K) as well as some other increases in employee allowances/costs negotiated in the new union contract and inflationary costs of utilities, office supplies, etc.
- Assessor and Auditor increases are annual inflationary increases
- Increase in Municipal grants (5.6K) is primarily the addition of a commitment to STARS of \$2 per capita (7.6K). This was partially offset by slight reduction in other community grants.
- Increase (10K) in celebrations budget reflects the additional expenditures (and offsetting additional revenue included in general administrative revenue noted above).
- Tax levy cancellation and discounts dropped significantly again this year as the tax incentive agreement on the single non-residential property has terminated. The remaining amount is annual tax cancellations that council approves on the Golf Club, Curling Club, Royal Canadian Legion, and Medical Clinic, as well as discount provided for property owners that pay their property taxes early (before end of January – 1.25% discount)
- Staff development was decreased (2.5K) for 2023 to limit the tax rate increase, and as there is currently no significant planned training or development to utilize the prior year budget amount. Staff development is important for the long-term health of the organization and so it is anticipated that this budget will increase to previous levels next year.
- Debenture interest decreases annually as the debt is repaid.
- Transfers from reserves includes reserve funds to offset first year set up costs of new systems (\$8K) and for Town’s contribution to a grant funded Area Structure Plan project (50% grant funded) to promote future development (23K).
- Transfer to reserve – operating. This is, in essence, contingency funds to address unanticipated inflationary increases in this current economy.

POLICING

The Policing budget includes provincial fine revenues received by the Town which was previously included in the Bylaw department budget. The expense is the new Provincial Policing Costs that have been charged to the municipality from the Province of Alberta that only began being charged by the Province in 2020. These fees were being implemented gradually from 2020 to 2023, starting at an estimated 10% of our local policing costs in 2020 to 30% in 2023.

POLICING	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Provincial fines collected	(4,000)	(3,689)	(15,000)	(2,663)	(9,615)
Provincial fines collected	(4,000)	(3,689)	(15,000)	(2,663)	(9,615)
Provincial policing costs	224,238	140,293	168,179	103,538	55,298
Policing expenses	224,238	140,293	168,179	103,538	55,298
NET DEFICIT (SURPLUS) FIRE DEPARTMENT	220,238	136,604	153,179	100,875	45,682

Variance Highlights

- Provincial fines budget has been decreased significantly, based on actuals seen in the last couple years. This decrease is due to no longer having a CPO that can issue provincial tickets, and the RCMP not issuing very many tickets themselves within Town limits.
- The Government of Alberta’s new police funding model charges small municipalities for policing costs. The model charges the municipality for a percentage of the estimated cost of policing per their cost model. In 2020 they charged 10% of the cost. This increased in 2021 to 15% and in 2022 to 20%. In 2023 it is increasing again to 30%. The current model does not increase again in 2024.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Provincial Grants	-	-	-	-	(5,040)
MD contributions	(9,000)	(9,000)	(8,500)	(8,707)	(8,098)
Non-government contribution	(10,000)	(47,172)	(7,000)	(7,277)	(29,067)
Fire department revenue	(19,000)	(56,172)	(15,500)	(15,984)	(42,205)
Wages and benefits	140,095	143,750	135,117	126,412	121,981
Equipment, fuel, etc	31,370	36,410	28,000	26,811	23,340
Training	5,500	3,388	7,000	5,442	4,850
Materials, supplies and operating expenses	39,602	38,275	35,390	32,363	31,877
Regional fire study costs	-	-	-	-	10,410
Amortization	20,897	25,368	25,391	22,236	17,605
Fire department expenses	237,464	247,191	230,898	213,264	210,063
	218,464	191,019	215,398	197,280	167,858
Operational budget adjustments					
Addback amortization	(20,897)	(25,368)	(25,391)	(22,236)	(17,605)
Internal Charges	5,100	5,085	5,000	5,051	-
Transfer from reserve - operating	-	-	-	-	-
Transfer to reserve - capital	20,000	44,272	20,000	10,000	10,000
NET DEFICIT (SURPLUS) FIRE DEPARTMENT	222,667	215,007	215,007	190,094	160,253

Variance Highlights

- MD Contribution was increased to maximum amount allowed for in intermunicipal agreement. This is to cover a percentage of facility (fire hall) costs, up to an annual maximum. This is expected to be maxed out based on increasing facility operational costs, such as utilities.
- Non-government contributions are billed fire charges for fire calls. Based on average historical actuals, this budget was increased slightly (\$3K).
- Equipment, fuel, etc. increase slightly (\$3K) for inflationary cost increases for gear.
- Training was decreased slightly (\$1.5K) based on historical actuals.
- Materials, supplies and operating expenses increased (4.5K) primarily for increasing utility costs. Utilities were underbudgeted in 2022.

EMERGENCY MANAGEMENT

In 2020 the Local Authorities Emergency Management Regulation came into force. This regulation required local authorities, which includes the Town of Claresholm, to have in place an emergency advisory committee, emergency management agency, regional collaboration, and emergency management plan. With the growing frequency of natural disasters it has become more important than ever for us to be prepared to respond to these events to help protect our residents. This budget includes a part-time position for the Director of Emergency Management as well as training budget and some material costs to provide training and resources to the Director as well as other Town staff and volunteers.

EMERGENCY MANAGMENT	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Wages and benefits	34,270	33,588	32,986	23,924	34,500
Materials, supplies and operating expenses	1,500	7,675	8,810	2,062	1,811
NET DEFICIT EMERGENCY MANAGEMENT	35,770	41,263	41,796	25,986	36,311

Variance Highlights

- Decrease in materials, supplies, and operating expenses due to prior year including expenditures for joint mock disaster exercise completed in 2022 as well as costs for a AFRAC radio for the office to be used during a disaster here in the incident command post (ICP).

BYLAW ENFORCEMENT

The Bylaw Enforcement budget includes both bylaw and animal control activities. The Bylaw 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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Licenses and fees	(9,000)	(13,197)	(12,000)	(6,890)	(7,670)
Municipal fines	(2,000)	(1,874)	(5,500)	(3,666)	(5,374)
Workshop revenue	-	-	(500)	-	(500)
Bylaw enforcement revenue	(11,000)	(15,071)	(18,000)	(10,556)	(13,544)
Wages and benefits	79,421	69,136	65,323	53,851	72,964
Animal services	500	703	500	4,013	572
Materials, supplies and operating expenses	13,250	13,686	17,250	11,583	15,179
Professional development	1,000	60	1,500	-	1,048
Amortization	9,607	12,370	12,370	8,578	3,160
Bylaw enforcement expenses	103,778	95,955	96,943	78,025	92,923
	92,778	80,884	78,943	67,469	79,379
Operational budget adjustments					
Addback amortization	(9,607)	(12,370)	(12,370)	(8,578)	(3,160)
Transfer to reserve - capital	2,000	2,000	2,000	-	2,000
NET DEFICIT (SURPLUS) BYLAW ENFORCEMENT	85,171	70,514	68,573	58,891	78,219

Variance Highlights

- Decrease in licenses and fees budget (\$3K) based on historical actuals; primarily reducing the budgeted cleanup order costs as these are unpredictable, with significant year over year fluctuation.
- Decrease in municipal fines revenue based on historical actuals.
- Decrease in materials, supplies and operating expenses (\$4K) primarily for the offsetting reduction in cleanup order costs (clean up fees = cleanup costs), as well as a decrease in uniform budget. This budget was increased in 2022 due to additional uniform needs with a new officer being hired. This higher budget isn't required in subsequent years with the same officer.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Rental revenue and insurance proceeds	-	(3,820)	-	-	-
Equipment pool revenue	-	(3,820)	-	-	-
Wages and benefits	213,736	221,589	207,745	214,258	201,285
Materials, supplies and operating expenses	314,861	305,640	308,000	348,455	394,089
Amortization	68,950	98,272	98,658	113,879	71,839
Equipment pool expenses	597,547	625,501	614,403	676,592	667,213
	597,547	621,681	614,403	676,592	667,213
Operational budget adjustments					
Addback amortization	(68,950)	(98,272)	(98,658)	(113,879)	(71,839)
Internal charges to other departments	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)
Internal charges from other departments	8,160	12,875	8,000	7,321	7,794
Transfer from reserve - operating	-	(33,000)	(33,000)	-	-
NET DEFICIT (SURPLUS) EQUIPMENT POOL	466,757	433,284	420,745	500,034	533,168

Variance Highlights

- Slight increase in materials, supplies, and operating expenses budget (\$7K) primarily for increasing fuel and utilities costs. These increases were offset some by shaving down expenditures in other areas to avoid a tax rate increase during these difficult times. This decrease was primarily in yard and building maintenance costs based on average historical actuals. Actual expenditures are impossible to predict, so contingency funds will be utilized if we have a higher than average year. The decrease in yard and building maintenance was greater than 3.5K, but it was offset by other inflationary increases.
- No transfer from reserves this year (\$33K in prior year). Prior year transfer from reserves was to partially fund asphalt crushing noted below under “Roads, Streets, Walks & Lights”.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Local improvement charges	-	-	-	-	-
Streets other income	(27,000)	(1,555)	(30,000)	(36,363)	(770)
Roads and streets revenue	-	-	-	-	-
Wages and benefits	208,242	270,768	199,651	195,831	217,282
Contracted services	80,000	69,463	80,000	80,898	78,385
Engineering	1,500	885	1,500	1,372	1,254
Street lights	247,713	233,052	210,000	194,761	210,727
Materials, supplies and operating expenses	77,000	68,062	120,000	73,195	100,901
Amortization	318,367	305,853	246,648	260,364	278,914
Roads and streets expenses	932,822	948,083	857,799	806,420	887,462
	905,822	946,528	827,799	770,058	886,692
Operational budget adjustments					
Addback amortization	(318,367)	(305,853)	(246,648)	(260,364)	(278,914)
Transfer to reserve - operating	10,000	-	-	10,000	15,000
Transfer to reserve - capital	-	-	-	-	-
NET DEFICIT (SURPLUS) ROADS AND STREETS	597,455	640,674	581,151	519,694	622,778

Variance Highlights

- Small decrease of streets other income budget (\$3K) for anticipated current year sale of crushed asphalt that was crushed in 2022. The Town has more than they can utilize themselves. The sale of approximately half of the crushed asphalt will offset the cost of crushing the asphalt, leaving the other half for our use and essentially no cost. The cost for the crushing was in 2022, with revenue anticipated to be realized in 2023.
- Significant increase in street lights based on 2022 actuals plus additional costs for replacing street light heads along the highway. They have reached end of life and are starting to fail. These are replaced with LED heads as they fail.
- Significant decrease in materials, supplies and operating expenses (\$45K) related to having no asphalt crushing project in the current year. Budgeted asphalt crushing costs in 2022 were offset with sales of crushed asphalt and reserve transfers (in “Common Equipment Pool”) noted above. Crushing was delayed so revenue is anticipated to be realized in 2023.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Local improvement charges	-	-	(1,318)	-	-
Other revenue	-	(2,035)	-	-	-
Storm sewer utility revenue	-	(2,035)	(1,318)	-	-
Wages and benefits	7,640	7,548	7,347	1,890	10,986
Contracted services	2,000	-	2,500	700	3,602
Materials, supplies and operating expenses	3,500	3,330	3,500	1,173	2,114
Overland flooding	-	-	-	-	13,346
Amortization	242,144	252,613	252,613	263,347	272,856
Storm sewer utility expenses	255,284	263,491	265,960	267,110	302,903
	255,284	261,456	264,642	267,110	302,903
Operational budget adjustments					
Addback amortization	(242,144)	(252,613)	(252,613)	(263,347)	(272,856)
NET DEFICIT (SURPLUS) STORM SEWER UTILTY	13,140	8,843	12,029	3,763	30,047

Variance Highlights

- Decrease in contracted services (\$0.5K) based on average historical actuals.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Water sales	(1,869,832)	(1,758,421)	(1,607,320)	(1,836,870)	(1,565,315)
Water services revenue	(1,869,832)	(1,758,421)	(1,607,320)	(1,836,870)	(1,565,315)
Wages and benefits	428,617	363,081	407,827	345,407	335,404
Training	3,000	446	3,000	254	3,899
Materials, supplies and operating expenses	246,089	225,407	193,900	188,238	175,549
Chemical	103,000	98,094	100,000	101,764	104,749
Maintenance	103,510	107,032	99,700	91,579	99,865
Debenture interest	123,197	131,187	131,548	139,136	147,092
Amortization	316,553	335,419	330,485	343,397	358,659
Water services expenses	1,323,966	1,260,666	1,266,460	1,209,775	1,225,217
	(545,866)	(497,755)	(340,860)	(627,095)	(340,098)
Operational budget adjustments					
Addback amortization	(316,553)	(335,419)	(330,485)	(343,397)	(358,659)
Services to other departments	(42,602)	(44,373)	(41,600)	(50,433)	(46,742)
Services from other departments	67,875	67,875	67,875	67,875	67,875
Transfer to reserve - capital	671,474	652,352	487,750	790,157	529,260
NET DEFICIT (SURPLUS) WATER SERVICES	(165,672)	(157,320)	(157,320)	(162,894)	(148,364)

Variance Highlights

- Significant increase in revenue, along with increase in reserve transfer, based on a correction in the budgeting for water and sewer fees after fee structure change. This prior year error in budget is noted in the variance between 2022 actual and budget.
- Fairly significant increase in materials, supplies, and operating expenses (\$23K) due primarily to significant inflationary increases being seen in utilities, which is a significant portion of this budget line item.
- Chemical increase (\$3K) and maintenance increase (\$4K) inflationary increases.
- Debenture interest decreases annually as the debt is repaid.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Local improvement charges	(3,290)	-	(3,822)	-	-
Service fees	(626,859)	(619,100)	(571,490)	(614,568)	(459,677)
Sanitary sewer services revenue	(630,149)	(619,100)	(575,312)	(614,568)	(459,677)
Wages and benefits	97,185	73,294	96,463	84,773	80,984
Contracted services	24,000	12,444	21,000	18,121	26,493
Materials, supplies and operating expenses	31,040	24,731	42,250	21,647	20,774
Debenture interest	12,138	16,446	17,816	21,914	27,107
Amortization	342,390	362,857	356,337	349,254	345,353
Sanitary sewer services expenses	506,753	489,772	533,866	495,708	500,711
	(123,396)	(129,328)	(41,446)	(118,859)	41,034
Operational budget adjustments					
Addback amortization	(342,390)	(362,857)	(356,337)	(349,254)	(345,353)
Services to other departments	(11,180)	(13,049)	(9,000)	(13,036)	(12,441)
Services from other departments	28,275	28,275	28,275	28,275	28,275
Transfer to reserve - capital	314,775	356,308	251,379	339,406	53,855
NET DEFICIT (SURPLUS) SANITARY SEWER SERVICES	(133,916)	(120,651)	(127,129)	(113,469)	(234,630)

Variance Highlights

- See first variance highlight note under Water Treatment & Distribution above for explanation on increase to fees and capital reserve transfer.
- Increase to contracted services (\$3K) based on historical actuals.
- Decrease in materials, supplies and operating expenses (\$8K) primarily related to removing active enzyme costs that has been determined to not be required (\$14K). This was offset some by other inflationary increases in utility costs.
- Debenture interest decreases annually as the debt is repaid.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Garbage collection fees	(441,000)	(449,046)	(429,000)	(442,374)	(433,508)
Solid waste revenue	(441,000)	(449,046)	(429,000)	(442,374)	(433,508)
Wages and benefits	178,382	225,995	171,995	203,847	210,153
Landfill fees	125,000	119,205	125,000	120,694	114,799
Landfill contract	45,648	41,844	41,580	41,580	41,580
Landfill closure	-	4,432	6,000	4,432	6,023
Materials, supplies and operating expenses	25,000	26,807	27,000	42,313	11,874
Amortization	8,904	12,721	12,721	18,172	25,960
Solid waste expenses	382,934	431,004	384,296	431,039	410,388
	(58,066)	(18,042)	(44,704)	(11,335)	(23,120)
Operational budget adjustments					
Addback amortization	(8,904)	(12,721)	(12,721)	(18,172)	(25,960)
Services to other departments	(9,000)	(10,671)	(8,500)	(11,774)	(13,201)
Services from other departments	45,725	45,725	45,725	45,725	45,725
Transfer to reserve - capital	30,245	10,724	20,202	10,836	16,556
NET DEFICIT (SURPLUS) SOLID WASTE MANAGEMENT	-	15,015	2	15,279	-

Variance Highlights

- Increase in collection fees based on historical actuals.
- Increase in landfill contract (requisition) (\$4K) are inflationary increases.
- Landfill closure decrease (\$6K) is based on 2022 being the final year of testing required for the old landfill by the airport.
- Small decrease in materials, supplies and operating expenses (\$2K) due to removal of bin replacements from the budget this year. This is offset largely by increases in fuel costs.
- Increase in transfer to reserves is due to an increase in revenue and small decrease in overall expenses. revenue over operational expenses. This is for future garbage truck replacement.

RECYCLING

The Town's recycling program provides bi-weekly curbside recycling pickup for residential and non-residential properties.

RECYCLING	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Recycling service fees	(304,171)	(301,082)	(299,280)	(290,271)	(267,617)
Commodity revenue	-	-	-	(15,107)	-
Recycling revenue	(304,171)	(301,082)	(299,280)	(305,378)	(267,617)
Wages and benefits	3,577	2,653	3,804	3,657	5,089
Contracted services	306,900	294,783	298,184	290,558	-
Materials, supplies and operating expenses	-	-	-	110	1,987
Recycling expenses	310,477	297,436	301,988	294,324	7,076
	6,306	(3,646)	2,708	(11,054)	(260,541)
Operational budget adjustments					
Services to other departments	(6,306)	(11,369)	(4,000)	(4,225)	(3,835)
Transfer to reserve - capital	-	-	1,292	-	-
NET DEFICIT (SURPLUS) RECYCLING	-	(15,015)	-	(15,279)	(264,377)

Variance Highlights

- No significant variances to note.

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.

FAMILY & COMMUNITY SUPPORT SERVICES (FCSS)	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Provincial funding	(105,235)	(105,235)	(105,235)	(92,665)	(105,235)
MD of Willow Creek	(80,539)	(80,538)	(80,539)	(61,202)	(80,130)
Alberta Health Services (AHS)	-	-	-	(7,073)	(28,290)
Child & Family Services Alberta (CFSA)	(36,000)	(36,000)	(36,000)	(36,000)	(27,000)
Other income	(13,000)	(22,660)	(18,570)	(5,168)	(16,741)
FCSS Revenue	(234,774)	(244,433)	(240,344)	(202,107)	(257,395)
Wages and benefits	143,742	144,917	132,494	142,497	165,545
Professional development	3,000	1,729	3,000	740	1,009
Materials, supplies and operating expenses	46,052	59,997	56,870	31,692	57,804
Community grants	54,074	49,884	60,074	41,958	57,586
Accounting and legal	-	-	-	1,815	3,700
General FCSS expenses	246,868	256,527	252,438	218,701	285,644
	12,094	12,094	12,094	16,594	28,248
Operational budget adjustments					
Town of Claresholm Contribution	(26,309)	(26,309)	(26,309)	(26,309)	(26,309)
Admin Allocation	14,215	14,215	14,215	9,715	4,200
NET DEFICIT (SURPLUS) FCSS	(0)	(0)	-	(0)	6,139

Variance Highlights

- Decrease in other income (\$5.5K) due to 2022 other income including 2021 deferred (unutilized) revenue.
- Drop in materials, supplies, and operating expenses (11K) and community grants (6K) to offset the drop in revenue and increase in wages to maintain a net balanced budget.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Municipal contribution to daycare	25,000	36,292	36,292	38,202	38,200
NET DEFICIT DAYCARE CONTRIBUTION	25,000	36,292	36,292	38,202	38,200

Variance Highlights

- Funding was reduced substantially as provincial funding for the daycare has increased, moving towards eliminating cash funding from the Town to the Daycare.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Cemetery Fees	(19,000)	(19,831)	(17,700)	(20,544)	(16,417)
Local government grants	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Cemetery revenue	(22,000)	(22,831)	(20,700)	(23,544)	(19,417)
Wages and benefits	22,019	19,539	19,102	21,578	20,294
Materials, supplies and operating expenses	2,500	3,086	1,000	1,752	363
Amortization	422	424	424	427	433
Cemetery expenses	24,941	23,048	20,526	23,757	21,089
	2,941	217	(174)	213	1,672
Operational budget adjustments					
Addback amortization	(422)	(424)	(424)	(427)	(433)
Services from other departments	2,500	2,500	2,500	2,500	2,500
Transfer to reserve - capital	5,000	5,238	5,000	8,170	5,000
NET DEFICIT CEMETERY	10,019	7,531	6,902	10,456	8,739

Variance Highlights

- Increase in materials, supplies and operating expenses based on 2022 actuals.

PHYSICIAN RECRUITMENT

The Physician Recruitment program is designed to provide incentives to recruit and retain Physicians in the community as well as other healthcare professionals. This is a program carried out in partnership with the Town of Stavely, and the MD of Willow Creek.

PHYSICIAN RECRUITMENT	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Grant funding	(1,000)	(414)	(1,000)	(622)	-
Physician recruitment	3,000	1,614	3,000	622	684
Operational budget adjustments					
Transfer from reserve - operations	(2,000)	(1,200)	(2,000)	-	(684)
NET DEFICIT (SURPLUS) PHYSICIAN RECRUITMENT	-	-	-	-	-

Variance Highlights

- Grant funding is the Alberta Rural Physician Action Plan (RPAP) grant which is being utilized to cover some of the expenses that would traditionally be funded by reserves. This is the same grant utilized in 2021 and 2022 as well.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Wages and benefits	8,109	3,760	7,770	4,348	3,872
Chemical and materials	13,500	10,386	11,500	9,793	11,421
Amortization	27,383	27,383	27,383	27,383	27,383
	48,992	41,528	46,653	41,524	42,676
Operational budget adjustments					
Addback amortization	(27,383)	(27,383)	(27,383)	(27,383)	(27,383)
NET DEFICIT WEED AND PEST CONTROL	21,609	14,145	19,270	14,141	15,294

Variance Highlights

- Increase in chemical and materials (\$2K) for some additional dog park weed spraying this year.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Grants and contributions	(242,077)	(189,002)	(219,566)	(167,946)	(59,534)
Economic development revenue	(242,077)	(189,002)	(219,566)	(167,946)	(59,534)
Wages and benefits	228,726	227,980	233,841	157,595	103,503
Materials, supplies and operating expenses	125,542	125,443	183,385	142,792	76,364
Economic development expenses	354,268	353,422	417,226	300,387	179,867
	112,191	164,421	197,660	132,440	120,333
Operational budget adjustments					
Transfer from reserve - operations	(28,880)	(33,331)	(33,331)	(20,000)	-
Transfer to reserve - operations	-	22,450	-	33,331	-
NET DEFICIT ECONOMIC DEVELOPMENT	83,311	153,540	164,329	145,771	120,333

Variance Highlights

- The Alberta Settlement and Integration Program (ASIP) grant that provided significant funding since April of 2021 ended in March 2023, however a similar grant, Settlement, Integration and Language Projects (SILP), for an additional 2-year period, has been received this year. In addition to this there was another grant, Northern and Regional Economic Development (NRED), received to complete a broadband discovery and assessment project as well as an area structure plan (ASP) for some developable land in Town.
- Wages and benefits dropped some, despite inflationary/cost of living increases, as the new SILP grant doesn't fund the same level of staffing that the ASIP grant did.
- Materials, supplies and operating costs similarly have decreased due to the ending of the ASIP grant and it being replaced by a smaller SILP grant.
- The economic development net deficit has decreased substantially, (\$81K), due to the SILP and NRED grants offsetting some administrative costs in other departments. This is, however, somewhat misleading as the costs for the ASP, funded by the NRED grant, is expensed in the Land Planning and Development department, a net \$46K.

LAND PLANNING & DEVELOPMENT

Land Planning & Development 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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Permits	(79,000)	(76,141)	(79,000)	(91,523)	(71,850)
Planning and development fees	(26,100)	(2,970)	(3,100)	(3,622)	(3,244)
Planning and development revenue	(105,100)	(79,111)	(82,100)	(95,145)	(75,094)
Wages and benefits	110,865	99,580	90,753	88,298	84,057
Planning and GIS services	58,168	60,676	60,676	58,742	54,380
Legal and professional services	133,625	38,849	41,625	66,503	50,701
Materials, supplies and operating expenses	1,500	2,701	1,500	-	3,791
Planning and development expenses	304,158	201,806	194,554	213,543	192,929
NET DEFICIT PLANNING & DEVELOPMENT	199,058	122,696	112,454	118,398	117,835

Variance Highlights

- Increase in planning and development fees (23K) is the one-time land owner contribution to the ASP project included in the NRED grant (see Economic Development).
- Reduction (\$2K) in Planning and GIS services as a result of the transition to MuniSight being complete. For the first few months of 2022 we were paying both Oldman River Regional Service Commission (ORRSC) and MuniSight for GIS services as we transitioned. This decrease is offset by some fairly significant increases in planning services fees.
- Increase in legal and professional services (\$92K) is the cost of the ASP included in the NRED grant. This is funded 50% from provincial grant (included in Economic Development), 25% by the land owner (see above), and 25% by the Town (funded from reserves, included in the Administration department above).

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 Claresholm Golf Course.

GENERAL RECREATION	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Local government grants	(89,300)	(74,300)	(74,300)	(74,300)	(50,000)
Summer Games	-	(2,788)	-	-	(58)
General recreation revenue	(89,300)	(77,088)	(74,300)	(74,300)	(50,058)
Golf course management	50,000	50,300	50,300	50,300	56,100
Debenture interest	-	-	-	1,751	4,199
Wages and benefits	77,989	84,072	74,822	75,104	71,742
Programming expenses	5,000	4,468	5,500	2,609	2,455
General recreation expenses	132,989	138,840	130,622	129,763	134,496
	43,689	61,752	56,322	55,463	84,439
Operational budget adjustments					
Transfer from reserve - operations	-	-	-	(62,173)	(50,000)
Transfer to reserve - capital	39,600	-	24,600	-	24,600
NET DEFICIT GENERAL RECREATION	83,289	61,752	80,922	(6,709)	59,039

Variance Highlights

- Due to significant inflationary increases in operating recreational facilities, the M.D. of Willow Creek #26 (MD) has increased their contribution to operating recreation. This is the increase in local government grants of \$15K.
- Transfer to reserve – capital – has increased \$15K for future development or rehabilitation of parks and pathways, including playground structures. The other \$24,600 reserve transfer is 50% MD contribution (funds included in the local government grant amount received) and 50% Town contribution for recreation as per ICF-Recreation agreement. These funds are set aside for any recreation capital projects, including facility upgrades, such as the Arena.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Campground fees	(80,000)	(76,680)	(80,000)	(101,886)	(92,367)
Parks grants and other funding	(2,500)	(1,349)	(2,500)	(4,493)	(275)
Parks revenue	(82,500)	(78,029)	(82,500)	(106,379)	(92,642)
Wages and benefits	121,478	174,425	113,160	150,973	115,120
Materials, supplies and operating expenses	69,768	78,718	66,000	58,827	56,080
Amortization	173,646	164,397	157,948	167,479	180,101
Parks expenses	364,892	417,540	337,108	377,280	351,300
	282,392	339,511	254,608	270,901	258,659
Operational budget adjustments					
Addback amortization	(173,646)	(164,397)	(157,948)	(167,479)	(180,101)
Services to other departments	20,400	21,125	20,000	22,463	18,434
Transfer to reserve - capital	-	-	-	-	-
NET DEFICIT PARKS	129,146	196,239	116,660	125,884	96,991

Variance Highlights

- Small increase in materials, supplies and operating expenses (\$4K) due to inflationary increases in utilities.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Minor hockey	(30,000)	(29,622)	(28,000)	(14,943)	(21,038)
Figure skating	(9,000)	(8,958)	(6,500)	(3,979)	(6,568)
Other rentals	(24,000)	(25,140)	(20,250)	(15,010)	(11,847)
Advertising	(7,000)	(13,119)	(7,000)	(10,492)	(276)
Arena revenue	(70,000)	(76,839)	(61,750)	(44,424)	(39,728)
Wages and benefits	125,682	104,264	120,663	78,175	98,574
Materials, supplies and operating expenses	113,010	141,959	81,100	77,366	91,305
Amortization	75,401	84,060	84,060	72,338	55,936
Arena expenses	314,093	330,283	285,823	227,880	245,815
	244,093	253,444	224,073	183,456	206,087
Operational budget adjustments					
Addback amortization	(75,401)	(84,060)	(84,060)	(72,338)	(55,936)
Services to other departments	9,588	9,497	9,400	8,346	9,309
Transfer to reserve - capital	7,000	13,119	7,000	20,492	4,884
NET DEFICIT ARENA	185,280	192,000	156,413	139,955	164,344

Variance Highlights

- Increase in revenues budgeted are due to raised user fees, passed by Council, to help offset increasing costs of operating the arena.
- Increase in materials, supplies and operating expenses (\$32K) are due to increased utility costs.

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 lifeguards wages and benefits, programming expenses, and telecommunications.

AQUATIC CENTRE	Budget 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Lessons	(45,000)	(43,888)	(45,000)	(34,316)	(29,952)
Gate admission	(25,000)	(22,397)	(25,000)	(12,882)	(17,189)
Rentals	(15,000)	(13,557)	(15,000)	(9,824)	(6,895)
Other funding	(5,000)	(4,589)	(5,000)	(2,917)	(14,184)
Aquatic Centre revenue	(90,000)	(84,431)	(90,000)	(59,939)	(68,220)
Wages and benefits	203,116	220,649	196,312	167,521	187,275
Materials, supplies and operating expenses	32,400	26,448	32,900	25,192	34,802
Amortization	14,935	15,250	15,250	15,700	16,343
Aquatic Centre expenses	250,451	262,348	244,462	208,413	238,420
	160,451	177,916	154,462	148,475	170,200
Operational budget adjustments					
Addback amortization	(14,935)	(15,250)	(15,250)	(15,700)	(16,343)
NET DEFICIT AQUATIC CENTRE	145,516	162,666	139,212	132,774	153,857

Variance Highlights

- No significant variances to note.

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Sales	(1,000)	(530)	(1,000)	(535)	(110)
Donations	(4,000)	(6,133)	(4,000)	(3,609)	(240)
Grants	(5,000)	(33,387)	(5,000)	(6,722)	(9,112)
Museum revenue	(10,000)	(40,050)	(10,000)	(10,867)	(9,462)
Wages and benefits	96,409	93,557	93,613	88,006	54,406
Materials, supplies and operating expenses	34,116	48,260	30,250	42,681	20,083
Professional development	1,500	1,666	2,000	1,605	375
Amortization	25,323	25,323	25,323	24,552	23,781
Museum expenses	157,348	168,806	151,186	156,844	98,646
	147,348	128,756	141,186	145,977	89,184
Operational budget adjustments					
Addback amortization	(25,323)	(25,323)	(25,323)	(24,552)	(23,781)
Services to other departments	3,700	4,106	3,700	3,727	3,350
Transfer from reserve - operations	-	-	-	-	-
NET DEFICIT MUSEUM	125,725	107,540	119,563	125,152	68,753

Variance Highlights

- Small increase in materials, supplies, and operating expenses (4K) due to increases in utility costs.
- Small drop in professional development (\$0.5K).

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 2023	Actual 2022	Budget 2022	Actual 2021	Actual 2020
Municipal grant and donations	203,000	196,000	196,000	160,000	190,000
Chinook Arch membership	30,396	29,744	29,744	29,333	30,883
Amortization	26,671	26,671	26,671	26,182	25,693
	260,067	252,415	252,415	215,515	246,576
Operational budget adjustments					
Addback amortization	(26,671)	(26,671)	(26,671)	(26,182)	(25,693)
Services to other departments	-	-	-	1,166	3,449
NET DEFICIT LIBRARY	233,396	225,744	225,744	190,499	224,332

Variance Highlights

- Increase in municipal contribution of \$7K, which is moving towards pre-COVID funding levels. This includes \$178K tax funded municipal contribution and \$25K annual endowment received by the Town on behalf of the library for programming and equipment.

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.

Canada Community Building Funding Fund (CCBF)

Previously known as the Federal Gas Tax Fund (FGTF) - each year **CCBF** assists municipalities by providing funding for local infrastructure projects. Funding is provided by the Federal Government to the Province, who in turn flows this funding to municipalities. 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. This is the final year of the MSI program and it will be replaced by the provinces new Local Government Fiscal Framework (LGFF) funding program.

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. Water distribution and/or sewage collection systems are not eligible for this program.

Alberta Historic Resources Foundation Grant (AHRF)

Historic Resource Foundation 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.

Community Facility Enhancement Program (CFEP)

The **CFEP** is a competitive grant program that provides financial assistance to acquire, build, purchase, repair, renovate, upgrade or expand sports, recreational, cultural or other related public-use community facilities. The aim of the program is to reinvest revenues generated from provincial lotteries into communities, empowering local citizens and community organizations to work together in responding to local needs.

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

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.

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	
Municipal Sustainability Initiative Grant (MSI)	611,755.00
Canada Community Revitalization Fund (CCRF)	26,263.00
Active Transportation Fund (ATF)	198,590.00
Canada Community Building Fund (CCBF)	482,410.00
Total Government Transfers for Capital	1,319,018.00
Transfers from reserves	1,026,744.00
Other external funding	148,500.00
Proceeds on sale or trade-in of vehicles and equipment	60,000.00
Tax funded	5,000.00
TOTAL FUNDING	2,559,262.00

Capital Summary Budget

ENGINEERING STRUCTURES PROJECTS	Funding	Expenditure
Hwy #2 Sewer Main Repairs - 50th to 53rd Ave		220,000
<i>Funding: Capital Water and Sewer Reserve</i>	<i>132,000</i>	
<i>Funding: Other External Funding (Telus)</i>	<i>88,000</i>	
45th Ave from 2nd to 3rd St W Water Main Upgrade from 4" to 8"		237,000
<i>Funding: Capital Water and Sewer Reserve</i>	<i>237,000</i>	
Storm Main Outfall Phase 2(a) - Westlyn Dr. Storm Sewer from Hwy 520 to Golf Course		750,000
<i>Funding: Canada Community Building Fund (CCBF)</i>	<i>350,000</i>	
<i>Funding: Capital Water and Sewer Reserve</i>	<i>285,000</i>	
<i>Funding: Capital Land & Development Reserve</i>	<i>100,000</i>	
<i>Funding: Developer contribution</i>	<i>15,000</i>	
Amundsen Park Redevelopment - Pathways and Lighting		350,859
<i>Funding: Active Transportation Fund</i>	<i>198,590</i>	
<i>Funding: Canada Community Building Fund (CCBF)</i>	<i>132,410</i>	
<i>Funding: Capital Recreation Reserve</i>	<i>19,859</i>	
Replace water mains from WTP to 8th Street (Engineering only)		15,000
<i>Funding: Capital Water and Sewer Reserve</i>	<i>15,000</i>	
ENGINEERING STRUCTURES TOTAL		1,572,859

MACHINERY & EQUIPMENT PURCHASES		
Bobcat Replacement		70,000
<i>Funding: Trade-in</i>	60,000	
<i>Funding: General Capital Reserve</i>	5,000	
<i>Funding: Tax funded</i>	5,000	
MACHINERY & EQUIPMENT TOTAL		70,000
BUILDING PROJECTS		
Farm/Bulk Water Fill Station Replacement		70,000
<i>Funding: M.D. of Willow Creek #26 contribution</i>	45,500	
<i>Funding: Capital Water and Sewer Reserve</i>	24,500	
Fire Hall Renovation/Expansion - Design		43,385
<i>Funding: Capital Fire Reserve</i>	43,385	
BUILDING TOTAL		113,385
LAND IMPROVEMENT PROJECTS		
Amundsen Park Redevelopment - Plaza and Pavilion (Carryforward)		35,018
<i>Funding: Canada Community Revitalization Fund Grant</i>	26,263	
<i>Funding: MSI Grant</i>	8,755	
LAND IMPROVEMENT TOTAL		35,018
VEHICLE PURCHASES & PROJECTS		
Garbage Truck		600,000
<i>Funding: MSI Grant</i>	435,000	
<i>Funding: Capital Garbage & Recycling Reserve</i>	165,000	
Sanding Truck		168,000
<i>Funding: MSI Grant</i>	168,000	
VEHICLE TOTAL		768,000

ENGINEERED STRUCTURES

2023 Capital Project	
Project Name	Hwy #2 Sewer Repairs – 50th to 53rd Ave
Project Description	Repair a few portions of the sewer main under the southbound lanes of Highway #2, including upsizing one small section that is still old 6” main. One portion requiring repair is due to damage caused by Telus when installing underground cable. Telus is funding 40% of the project.
Project Cost	\$220,000
Funding Sources	Water & Sewer Capital Reserve & Telus
Rationale for need	This is an older precast clay pipe. It is still in relatively good condition except for 3 small sections that are causing flow issues, resulting in extra sewer flushing being required.
Impact on future operating costs	Reduce sewer flushing required through this section of pipe.
Implications of deferring this project	Continued issues with backup due to damaged sections of pipe.

2023 Capital Project	
Project Name	45th Ave Water Main Upsize (4” to 8”) - 2nd to 3rd Street W
Project Description	Replacing a section of 4” watermain and upsizing to 8”.
Project Cost	\$237,000
Funding Sources	Water & Sewer Capital Reserve
Rationale for need	4” mains are below current municipal standards and cause bottle necks in the system. This is especially a concern for fire flow capacity.
Impact on future operating costs	No immediate impact is expected on operations
Implications of deferring this project	Continued increased risk of pressure/flow issues in this area and downstream from here.

2023 Capital Project	
Project Name	Storm Main Outfall Phase 2(a)
Project Description	Installation of storm sewer main from Hwy 520 to the Golf Course along Westlyn Dr.
Project Cost	\$750,000
Funding Sources	CCBF, Water & Sewer Capital Reserve, and small portion funded by developer contribution for their share/utilization of the main.
Rationale for need	This is a continuation of the overall Storm Water Masterplan to increase storm water capacity, reducing flooding risk, throughout Town. Phase 2(b) will be completed in a future year and will extend this line across Hwy 520 into Centennial Park. The addition of this line will take a lot of pressure off the frog creek drainage line slightly further to the east as it will divert all storm water that originates west of 4 th Street into the new line and away from the current bottleneck under 43 rd Ave (Hwy 520).
Impact on future operating costs	Facilitates development of the property to the west of Westlyn Drive (parade staging grounds) which will increase future tax revenues.
Implications of deferring this project	Continued increased risk of flooding in Town due to the bottleneck in the stormwater system crossing Hwy 520.

2023 Capital Project	
Project Name	Amundsen Park Redevelopment – Pathways and Lighting
Project Description	Redevelop/Redesign Amundsen Park – Update pathways and lighting throughout the park to complete the overall redevelopment of the park, to increase accessibility and to have the pathways and lighting go with, and compliment, the rest of the new design (plaza & pavilion, gazebo, etc.)
Project Cost	\$350,859
Funding Sources	Active Transportation Fund (ATF) and CCBF Grant with possible CFEP Grant funds. Fees related to obtaining the ATF grant, included in the total, will be funded by Capital Recreation Reserve.
Rationale for need	This park is old and dilapidated and doesn't lend itself well to different activities in the park, such as markets, events, or performances, and lighting is poor in the park for effective use after dusk.
Impact on future operating costs	No impact on future operating costs expected.
Implications of deferring this project	No significant implications of deferring the project other than deferring the benefits of an updated park.

2023 Capital Project	
Project Name	Watermain replacement/upsized from Water Treatment Plant to 8th Street W – Engineering Only
Project Description	Completing detailed engineering for a watermain replacement project. Project would be to replace the two watermains that start inside the water treatment plant and extend to 8 th Street West that are the main source lines for the entire Town. Completing the engineering will allow for estimated probable costs for the project and enable the Town to apply for AMWWP grant funding.
Project Cost	\$15,000
Funding Sources	Water & Sewer Capital Reserve.
Rationale for need	These two mains supply the water for the entire Town, so any failure in these lines would be highly disruptive to the entire community. These mains are the same type that we have had some failures/issues with in other areas. One of the isolation valves in this section of line is also inoperable, which greatly increases the risk and would likely cause an Alberta Environment code contravention if there were any failure in this section of main. All valves would be replaced through this section of main as part of this project.
Impact on future operating costs	No impact on future operating costs.
Implications of deferring this project	Continued increased risk of water main leaks/failure in these extremely important sections of watermain.

MACHINERY & EQUIPMENT

2023 Capital Purchase	
Project Name	Bobcat replacement program
Project Cost	\$70,000 (Net \$10,000 after trade-in of old unit).
Funding Sources	Trade in of old Bobcat, with Tax Funding for difference.
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. Due to supply shortages there was no trade-in in 2022.
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. There is no warranty coverage unless we purchase extended warranty at almost \$2,500 per year.

BUILDINGS

2023 Capital Project	
Project Name	Farm/Bulk Water Fill Station Replacement
Project Description	Replace the current bulk water fill station beside the Town shop with a completely new system.
Project Cost	\$70,000
Funding Sources	M.D. of Willow Creek #26 is funding 65% of the project with remainder being funded from Capital Water & Sewer Reserve.
Rationale for need	Current system is old and starting to fail and is still a coin only operated system. New system will be fully electronic, accepting either credit/debit payment or fob operated with the setup of an account. New system will also provide more accurate metering, better reporting on usage, and allow for better budgeting and cost analysis in the future.
Impact on future operating costs	Significantly reduce man hours and emergency call-outs of personnel dealing with the system being down and customer complaints. There will be some additional costs for payment processing and support, which will be passed directly on to the customer in transaction fees.
Implications of deferring this project	Continue dealing with system being down and increased operating costs in the form of man hours and call-outs.

2023 Capital Project	
Project Name	Fire Hall Renovation Project – Design & Probable Costs Only
Project Description	Complete preliminary design of the Fire Hall Renovation project in order to obtain report/estimate on probable costs for the renovation in order to facilitate applying for grant funding to help fund the renovation.
Project Cost	\$43,385
Funding Sources	Capital Fire Reserve
Rationale for need	The Fire Hall is reaching end of life and is requiring some significant repairs/upgrades, including replacement of the roof, HVAC, etc. The space is also in need of expansion/updating, including increasing bay floor space for increased number of fire vehicles and equipment, and provide better separation from the bay floor to other parts of the building for air quality/health purposes.
Impact on future operating costs	No significant impact on future operating costs expected.
Implications of deferring this project	Deferring the project would result in greater risk of complete failure of components of the building, such as the roof, and continued health/safety risks related to air quality and lack of space for vehicles/equipment and

LAND IMPROVEMENTS

2022 Carry-Forward Capital Project	
Project Name	Amundsen Park Upgrades – Plaza & Pavilion
Anticipated Start	Already started in 2022
Project Description	Redevelop/Redesign Amundsen Park – Design & construction of a plaza and pavilion – This project wasn't quite completed last year, still requiring some electrical/lighting, security cameras, and site remediation. This is to be completed in the spring of 2023.
Project Cost	\$35,018
Funding Sources	Canada Community Revitalization Fund and MSI grants
Rationale for need	This park is old and dilapidated and doesn't lend itself well to different activities in the park, such as markets, events, or performances.
Impact on future operating costs	No impact on future operating costs expected.
Implications of deferring this project	Deferring the completion of the project would result in losing the remaining CCRF grant funding, funding 75% of the project.

VEHICLES

2023 Capital Project	
Project Name	Garbage Truck Replacement
Project Description	Purchase a new garbage truck
Project Cost	\$600,000
Funding Sources	MSI Grant and Capital Garbage & Recycling Reserve
Rationale for need	Our current garbage truck is regularly requiring repairs, often in the shop, causing disruptions to current garbage collections.
Impact on future operating costs	Continued increasing maintenance costs as repairs become more significant and more involved.
Implications of deferring this project	Increased repairs and maintenance costs and risk of being unable to continue collecting garbage reliably and on schedule.

2022 Carry-Forward Capital Project	
Project Name	Sanding Truck Replacement – Chassis & Blade
Anticipated Date	2023
Project Description	Replace old Sanding Trunk. Will utilize same sand hopper from the current truck. Truck was ordered in 2022, but due to supply shortages and delays, truck wasn't received until early 2023.
Project Cost	168,000
Funding Sources	MSI Grant
Rationale for need	The used 1996 Ford 5 ton has outlived its productive years. We are now operating an unreliable unit that is often in the shop when needed.
Impact on future operating costs	Repairs are only a portion of the cost when this unit is not operating as we have to utilize the 2 smaller units to accomplish the same work.
Implications of deferring this project	Complaints of slow response, as there is 40+ Km's to service every snowfall.