



Claresholm

Where **Community** Takes Root

Budget Document - Final

2020

April 14, 2020

A blue ink signature of Marian Carlson.

Marian Carlson, CLGM
CAO

A blue ink signature of Doug MacPherson.

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 2015.

	2015	2016	2017	2018	2019	2020
Municipal Residential	6.3300	6.5130	6.7050	6.7997	6.7282	TBD
Municipal Non Residential	11.8958	12.0279	12.5841	11.5303	11.4000	TBD
Municipal Vacant Residential & Farmland	10.5000	11.3956	14.0650	6.7997	6.7282	TBD
Municipal Seniors Self Contained Housing	0	0	0	0	0	TBD
Annexed Residential	0	0	3.4000	3.4000	3.8760	TBD
Annexed Farmland	0	0	6.8890	6.8890	7.3650	TBD
Annexed Non-Residential	0	0	7.4890	7.7930	7.9690	TBD
Porcupine Hills Lodge – Residential, Non-Residential, Vac. Res. & Farmland	0.2639	0.2767	0.2767	0.2672	0.2659	TBD
Porcupine Hills Lodge – Senior Self Contained Housing	0	0	0	0	0	TBD
Annexed Porcupine Hills Lodge – Residential, Non-Residential, Vac. Res. & Farmland	0	0	0.3120	0.3030	0.2930	TBD
Education ASFF – Residential, Vacant Res. & Farmland	2.4592	2.5485	2.5318	2.5334	2.4655	TBD
Education ASFF - Non Residential	3.6269	3.5621	3.7897	3.4159	3.5160	TBD
Annexed Education ASFF – Res., Vac. Rec., & F.L.	0	0	2.4960	2.5010	2.5150	TBD
Annexed Education ASFF – Non-Residential	0	0	4.1220	3.7180	3.7020	TBD

Town of Claresholm Budget

Comparative Statement of Operations

	2020 Budget	2019 Budget
Revenue		
Net municipal taxes (Sch 1)	3,349,579	3,226,286
User fees and sales of goods	2,975,960	2,595,840
Government transfers for operating	598,047	612,189
Investment income	60,000	70,000
Penalties and costs of taxes	104,100	126,000
Licenses and permits	97,000	99,300
Franchise and concession contracts	212,491	206,609
Rental	123,257	113,250
Other	107,500	77,650
Total Revenue	7,627,934	7,127,124
Expenses (includes amortization)		
Legislative	109,000	113,500
Administration	1,276,922	1,321,232
Policing	73,730	-
Fire	206,429	275,145
Bylaw enforcement	124,445	112,475
Common and equipment pool	537,580	582,687
Roads, streets, walks and lighting	836,521	808,845
Airport	15,840	16,077
Storm sewers and drainage	284,317	280,265
Water supply and distribution	1,273,057	1,316,199
Wastewater treatment and disposal	513,006	534,436
Solid waste management	636,480	565,171
Family and community support services	289,749	314,109
Day care	38,202	38,202
Cemeteries and crematoriums	18,973	20,661
Other public health and welfare	3,000	3,000
Weed and pest control	44,750	50,146
Economic development	309,688	276,864
Subdivision land and development	200,212	208,042
Parks and recreation	982,990	1,033,039
Culture - libraries, museums and halls	364,433	379,930
Total Expenses	8,139,324	8,250,025
Deficiency of revenue over expenses before other	(511,390)	(1,122,900)

Other		
Government transfers for capital	2,445,543	3,380,331
Surplus (deficiency)	1,934,153	2,257,431
Adjustment for Non-Cash items		
Amortization expenses	1,699,578	1,861,047
Adjustment for cash items that are not revenues and expenses (but are sources or uses of funds)		
Capital expenditures	(5,427,542)	(6,800,331)
Debt proceeds	2,800,000	2,800,000
Debt principal repayment	(383,144)	(336,925)
8th Ave NW Promissory Note	(100,000)	(100,000)
Transfers to reserves from operations	(716,270)	(394,600)
Transfers to operations from reserves	96,225	144,878
Transfer from reserves for capital	97,000	568,500
Budget balance	-	-

Schedule 1		
	2019 Budget	2018 Budget
Taxation		
Property taxes: Vacant residential and farmland	51,900	50,711
Property taxes: Non-residential	1,079,743	1,024,806
Property taxes: Linear property	118,909	108,128
Property taxes: Residential	3,351,400	3,224,642
Federal grants in lieu of taxes	6,256	6,346
Provincial grants in lieu of taxes	22,835	33,270
Local improvement taxes	12,935	12,934
	4,643,978	4,460,837
Less: Requisitions		
Alberta school foundation fund	1,179,599	1,121,579
Porcupine Hills Lodge	114,139	112,972
Designated Industrial Property	661	-
	3,349,579	3,226,286

DEPARTMENT
OPERATING
BUDGETS

4 Year Operating Budgetary Deficit (Surplus) Summary By Function

Excludes Amortization and Capital

OPERATING BUDGET DEFICIT (SURPLUS)	Budget 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Council	109,000	113,160	113,500	113,342	120,295
Municipal general revenue and requisitions	(3,663,935)	(3,560,114)	(3,547,761)	(3,529,560)	(3,415,555)
General administration	991,709	3,849,374	1,022,602	1,138,947	1,172,063
Policing	40,730	(20,395)	(33,000)	(34,482)	(35,372)
Fire department	185,585	158,117	191,410	120,579	88,744
Bylaw enforcement	81,531	106,870	59,308	67,357	68,885
Equipment pool	437,960	428,143	452,898	519,961	400,130
Roads and streets	567,888	565,797	539,494	563,375	592,338
Airport	9,330	9,777	7,067	5,790	1,822
Storm sewer utility	3,989	8,362	15,129	17,673	387,101
Water utility	(141,859)	(134,709)	(134,709)	(136,036)	(228,308)
Sanitary sewer utility	(208,572)	(208,078)	(214,846)	(165,708)	(143,956)
Garbage collection	-	0	-	-	17,076
Recycling	(0)	(23,402)	-	(0)	(38,051)
Childcare contribution	38,202	38,202	38,202	38,202	38,202
Family & Community Support Services (FCSS)	(0)	(6,288)	(1)	3,632	12,039
Cemetery	7,540	9,159	8,837	7,885	3,025
Other public health and welfare	-	-	-	-	-
Weed and pest control	17,367	12,795	22,763	13,286	14,677
Economic development	178,488	128,830	168,657	163,545	102,624
Planning and development	133,612	134,424	141,442	126,296	105,782
General recreation	36,301	28,587	31,426	32,643	95,303
Parks	107,775	113,138	101,472	111,612	89,046
Arena	149,885	133,158	130,755	198,349	125,473
Aquatic Centre	112,373	146,628	141,265	146,044	130,416
Museum	87,576	80,903	68,047	58,115	66,708
Library	224,383	217,786	227,618	216,162	203,376
OPERATIONAL NET DEFICIT (SURPLUS)	(493,143)	2,330,224	(448,425)	(202,993)	(26,117)

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Wages, meetings and per diems	93,000	94,673	95,000	103,125	96,378
Travel and conventions	10,750	15,148	11,250	8,641	16,464
Education	5,000	3,339	7,000	1,577	2,557
Materials, supplies and operating costs	250	-	250	-	4,896
NET DEFICIT (SURPLUS) COUNCIL	109,000	113,160	113,500	113,342	120,295

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 2020.

	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	\$0.55/km
Meals and accommodation at cost	Upon submission of valid receipts

Variance Highlights

- Due to lower actuals in 2019, 2020 budget has been decreased slightly across the board.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Taxes	(4,601,952)	(4,432,004)	(4,408,287)	(4,323,078)	(3,165,823)
Education taxes	-	-	-	-	(1,087,744)
Grants in lieu	(29,091)	(34,312)	(39,616)	(40,228)	(43,052)
Taxes and grants in lieu	(4,631,043)	(4,466,316)	(4,447,903)	(4,363,306)	(4,296,619)
General municipal revenue	(327,291)	(354,674)	(334,409)	(378,698)	(313,330)
General municipal revenue	(327,291)	(354,674)	(334,409)	(378,698)	(313,330)
Designated Industrial Property	661	-	-	-	-
Home for aged - Porcupine Hills Lodge School Foundation Program - res. & farmland	114,139	112,399	112,972	109,653	106,651
School Foundation Program - non-residential	886,088	878,775	854,746	856,597	833,474
	293,511	269,702	266,833	246,194	254,270
NET DEFICIT (SURPLUS) GENERAL	(3,663,935)	(3,560,114)	(3,547,761)	(3,529,560)	(3,415,555)

Variance Highlights

- Net tax revenue increase for municipal purposes is approximately 2% plus an additional 2% for policing costs charged by the Province starting in 2020. This is taxes less requisitions.
- Grants in lieu revenue is down approximately 50% due to provincial budget cuts.
- General municipal revenue is down about 2% due primarily to decreasing investment income due to dropping interest rates.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Business licenses	(27,000)	(25,760)	(29,300)	(29,980)	(26,975)
General administrative revenue	(439,786)	2,686,534	(163,000)	(228,780)	(185,288)
Administrative general revenue	(466,786)	2,660,774	(192,300)	(258,760)	(212,263)
Wages and benefits	652,308	631,727	651,391	595,591	551,834
Consultant fees	47,094	34,549	44,625	63,066	59,012
Materials, supplies and operating costs	291,888	326,205	323,552	334,563	344,571
Assessor	52,000	50,912	52,000	53,631	56,234
Auditor	21,300	19,465	20,400	19,500	20,150
Legal	20,000	25,190	20,000	34,501	15,864
Municipal grants	86,000	87,147	80,000	86,976	69,703
Celebrations	20,500	20,154	20,500	22,982	14,001
Tax levy cancellations and discounts	12,450	12,132	13,200	13,041	5,355
Public relations and taxi subsidy	11,500	15,787	14,500	16,349	16,384
Staff development and training	10,000	11,706	10,000	7,856	11,582
Debt interest	34,426	-	-	-	-
Amortization	17,456	18,827	71,064	73,022	69,610
Administrative general expenses	1,276,922	1,253,801	1,321,232	1,321,079	1,234,298
	810,136	3,914,575	1,128,932	1,062,319	1,022,035
Operational budget adjustments					
Addback amortization	(17,456)	(18,827)	(71,064)	(73,022)	(69,610)
Transfer from reserve - operating	(43,225)	(15,601)	(10,000)	(13,286)	265,403
Internal charges to other departments	(78,575)	(78,575)	(78,575)	(79,465)	(78,075)
Internal transfers (expenses)	53,309	47,802	53,309	42,400	26,309
Transfer to reserve - operating	267,520	-	-	-	6,000
Transfer to reserve - capital	-	-	-	200,001	-
NET DEFICIT (SURPLUS) ADMINISTRATION	991,709	3,849,374	1,022,602	1,138,947	1,172,063

Variance Highlights

- Business license revenue is down based on 2019 actuals.
- General administrative revenue is up nearly \$300K due primarily to proceeds on land sales expected in 2020.
- An approximate 2% increase in wages and benefits for union and non-union cost of living increase and changes in benefit rates. This will be the same across all departments unless otherwise stated. There is no change in budgeted staffing levels for administration in 2020 with the exception of reduced hours budgeted for one part-time position, and shift in wage allocation between administration and another department, which gave rise to a slight decrease in administrative wages and benefits.
- Consultant fees increased slightly due to unutilized 2019 budgeted funds being transferred into 2020 to cover additional costs for consultation on the new Intermunicipal Collaboration Framework (ICF) and required Water Shortage Plan update.
- \$30,000 drop in materials, supplies and operating costs. This is primarily related to demolishing the old elementary school, with an estimated \$15K drop in insurance and a \$10K drop in utilities. The additional \$5K is in Computer hardware/software due to additional costs in 2019 related to purchase of new records archival software.
- Municipal grants increased \$14K for budgeted increase operating grant to the Claresholm and District Transportation Society and the Community Hall Board operating grant.
- Public relations and taxi subsidy was reduced 3K based on 2019 actuals.
- Debenture interest of \$34,426 is new this year for the first payment on the \$2.8M debenture for the Multi-use Community Complex. As the debenture won't be drawn until after January 1 of 2020 there will only be one semi-annual payment in 2020.
- Transfer from reserves of \$31,825 utilized the Town "Debt Reduction" reserve to cover the principal portion of the Multi-use Building debt payment in 2020 to keep tax increases down and balance the budget. Additional \$11,400 transfer is for the 2019 budgeted funds to be transferred to 2020 for the ICF as noted above.

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.

POLICING	Budget 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Provincial fines collected	(33,000)	(20,395)	(33,000)	(34,482)	(35,372)
Provincial fines collected	(33,000)	(20,395)	(33,000)	(34,482)	(35,372)
Provincial policing costs	73,730	-	-	-	-
Fire department expenses	73,730	-	-	-	-
NET DEFICIT (SURPLUS) FIRE DEPARTMENT	40,730	(20,395)	(33,000)	(34,482)	(35,372)

Variance Highlights

- The Government of Alberta’s new police funding model charges small municipalities for policing costs. In 2020 this is charged at 10% of the cost. This will increase to 15% in 2021, 20% in 2022, and 30% in 2023 and beyond.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Provincial Grants	(5,040)	(60,029)	(65,069)	(78,506)	(6,425)
MD contributions	(7,000)	(7,293)	(7,000)	(6,111)	(12,251)
Non-government contribution	(5,000)	(21,900)	(5,000)	(2,682)	(8,218)
Fire department revenue	(17,040)	(89,223)	(77,069)	(87,299)	(26,894)
Wages and benefits	112,888	104,331	115,183	44,908	47,495
Equipment, fuel, etc	27,270	30,350	34,900	68,620	15,434
Training	9,000	6,325	7,500	3,948	7,304
Materials, supplies and operating expenses	34,627	32,764	32,027	29,495	38,980
Regional fire study costs	5,040	60,029	65,069	78,506	6,425
Amortization	17,605	20,466	20,466	24,845	13,077
Fire department expenses	206,429	254,265	275,145	250,322	128,714
	189,390	165,042	198,076	163,022	101,820
Operational budget adjustments					
Addback amortization	(17,605)	(20,466)	(20,466)	(24,845)	(13,077)
Internal Charges	3,800	3,541	3,800	2,401	-
Transfer from reserve - operating	-	-	-	(30,000)	-
Transfer to reserve - capital	10,000	10,000	10,000	10,000	-
NET DEFICIT (SURPLUS) FIRE DEPARTMENT	185,585	158,117	191,410	120,579	88,744

Variance Highlights

- Provincial Grants is offset by the Regional fire study costs and is the unspent grant amount remaining that is unutilized of the original grant received in 2017. The amount of the drop from 2019 in both these accounts is by the amount actually spent in 2019.
- Decrease in equipment due to \$11,500 budgeted in 2019 for new radios. No similar large equipment expenditure budgeted for 2020, though less than a 11,500 decrease is realized due to additional bunker gear required in the next couple years due to expiry dates of personal protective equipment for the fire fighters.
- Increase in Materials, supplies and operating costs for fire hall painting.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Licenses and fees	(12,000)	(15,361)	(9,000)	(11,812)	(9,459)
Municipal fines	(20,500)	(5,702)	(35,500)	(22,892)	(37,928)
Workshop revenue	(5,500)	(500)	(5,900)	(11,389)	(6,000)
Bylaw enforcement revenue	(38,000)	(21,563)	(50,400)	(46,092)	(53,387)
Wages and benefits	89,431	95,907	81,208	80,883	82,083
Animal services	1,000	608	1,000	531	-
Materials, supplies and operating expenses	25,100	23,207	18,500	28,838	35,157
Professional development	2,000	6,710	7,000	1,196	3,031
Amortization	6,914	6,314	4,767	5,456	6,440
Bylaw enforcement expenses	124,445	132,746	112,475	116,905	126,712
	86,445	111,183	62,075	70,813	73,325
Operational budget adjustments					
Addback amortization	(6,914)	(6,314)	(4,767)	(5,456)	(6,440)
Transfer to reserve - capital	2,000	2,000	2,000	2,000	2,000
NET DEFICIT (SURPLUS) BYLAW ENFORCEMENT	81,531	106,870	59,308	67,357	68,885

Variance Highlights

- Licenses and fees increased based on prior year actuals for revenues collected on cleanup fees (where contractor is sent in for clearing sidewalks or cutting grass or weeds). Similar increase in Materials, supplies and operating expenses as this is a net zero function.
- Municipal fines further decreased based on actuals. This is due to insufficient time or resources for CPO to spend significant amounts of time handing out traffic violation tickets.
- Increase of \$6.5K in materials, supplies and operating costs. \$3K as noted above for licenses and fees (cleanup costs), \$3K for new computer in the CPO vehicle.
- Professional development budget decreased back to 2018 levels now that our new CPO has received initial required training to become a CPO1 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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Rental revenue and insurance proceeds	-	(1,620)	-	-	(3,986)
Equipment pool revenue	-	(1,620)	-	-	(3,986)
Wages and benefits	187,960	199,758	191,098	216,807	188,230
Materials, supplies and operating expenses	314,000	293,651	325,800	369,253	285,885
Amortization	35,120	46,839	64,289	41,388	18,153
Equipment pool expenses	537,080	540,248	581,187	627,448	492,268
	537,080	538,628	581,187	627,448	488,283
Operational budget adjustments					
Addback amortization	(35,120)	(46,839)	(64,289)	(41,388)	(18,153)
Internal charges to other departments	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)
Internal charges from other departments	6,000	6,354	6,000	3,901	-
NET DEFICIT (SURPLUS) EQUIPMENT POOL	437,960	428,143	452,898	519,961	400,130

Variance Highlights

- Materials, supplies and operating expenses dropped 11K primarily for estimated decrease in fuel costs due to drastic drops in fuel prices seen to date in 2020.
- Included in materials, supplies and operating costs is also costs related to a soil remediation project at the Town Shop. The soil has been monitored for years and the next steps is to now to remediate on site primarily through aeration of the soil. This is significantly cheaper than disposing of the soil. This was offset by a decrease to shop expense materials, freight, and yard and building maintenance.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Local improvement charges	-	(9,968)	-	(3,770)	-
Roads and streets revenue	-	(9,968)	-	(3,770)	-
Wages and benefits	188,388	218,770	184,994	209,229	244,684
Contracted services	75,000	77,162	75,000	96,096	71,541
Engineering	2,000	1,284	2,000	1,164	1,221
Street lights	187,500	184,742	187,500	173,063	164,152
Materials, supplies and operating expenses	100,000	93,806	90,000	87,593	110,740
Amortization	283,633	282,950	269,351	271,709	327,488
Roads and streets expenses	836,521	858,715	808,845	838,854	919,826
	836,521	848,747	808,845	835,084	919,826
Operational budget adjustments					
Addback amortization	(283,633)	(282,950)	(269,351)	(271,709)	(327,488)
Transfer to reserve - operating	15,000	-	-	-	-
Transfer to reserve - capital	-	-	-	-	-
NET DEFICIT (SURPLUS) ROADS AND STREETS	567,888	565,797	539,494	563,375	592,338

Variance Highlights

- Materials, supplies and operating expenses increased \$10K for additional traffic safety/control materials.
- Added transfer to reserve – operating to save up for crushing of asphalt and bulk gravel purchase.
- No other significant variances to note.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Facility rental	(2,500)	(2,000)	(5,000)	(2,500)	(9,500)
Airport services revenue	(2,500)	(2,000)	(5,000)	(2,500)	(9,500)
Wages and benefits	4,330	3,574	4,167	1,587	2,410
Materials, supplies and operating expenses	7,300	8,203	7,700	6,365	8,912
Amortization	4,210	4,210	4,210	4,210	4,160
Airport services expenses	15,840	15,987	16,077	12,163	15,482
	13,340	13,987	11,077	9,663	5,982
Operational budget adjustments					
Addback amortization	(4,210)	(4,210)	(4,210)	(4,210)	(4,160)
Internal charges from other departments	200	-	200	338	-
NET DEFICIT (SURPLUS) AIRPORT	9,330	9,777	7,067	5,790	1,822

Variance Highlights

- Decrease in facility rentals based on 2018/2019 actuals
- No other 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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Local improvement charges	(9,113)	-	(9,112)	-	9,667
Other revenue	-	-	-	(42,247)	-
Storm sewer utility revenue	(9,113)	-	(9,112)	(42,247)	9,667
Wages and benefits	7,102	3,183	16,741	15,569	11,796
Contracted services	2,500	1,203	3,000	1,211	2,775
Materials, supplies and operating expenses	3,500	3,977	4,500	893	1,266
Overland flooding	-	-	-	42,247	361,598
Amortization	271,215	266,433	256,024	186,193	111,261
Storm sewer utility expenses	284,317	274,796	280,265	246,112	488,695
	275,204	274,796	271,153	203,866	498,362
Operational budget adjustments					
Addback amortization	(271,215)	(266,433)	(256,024)	(186,193)	(111,261)
NET DEFICIT (SURPLUS) STORM SEWER UTILITY	3,989	8,362	15,129	17,673	387,101

Variance Highlights

- Wages and benefits decreased based on reallocation of budgeted wages based on prior year actuals.
- Materials, supplies and operating expenses decreased slightly based on prior year 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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Water sales	(1,449,900)	(1,294,097)	(1,435,500)	(1,142,258)	(1,115,334)
Water services revenue	(1,449,900)	(1,294,097)	(1,435,500)	(1,142,258)	(1,115,334)
Wages and benefits	386,623	342,982	390,392	277,671	291,793
Training	3,000	819	5,000	1,573	4,235
Materials, supplies and operating expenses	195,400	216,697	198,800	254,883	177,367
Chemical	95,000	88,123	100,000	129,900	95,482
Maintenance	83,000	81,948	83,500	70,345	83,154
Debenture interest	147,010	153,871	154,161	160,230	167,121
Amortization	363,524	386,984	385,846	393,838	920,453
Water services expenses	1,273,557	1,271,425	1,317,699	1,288,442	1,739,604
	(176,343)	(22,673)	(117,801)	146,184	624,270
Operational budget adjustments					
Addback amortization	(363,524)	(386,984)	(385,846)	(393,838)	(920,453)
Services to other departments	(39,000)	(36,131)	(39,000)	(25,869)	-
Services from other departments	67,875	67,875	67,875	67,875	67,875
Transfer to reserve - capital	369,133	243,204	340,063	69,611	-
NET DEFICIT (SURPLUS) WATER SERVICES	(141,859)	(134,709)	(134,709)	(136,036)	(228,308)

Variance Highlights

- Approximately 1% increase in water sales revenue. Rate increases in the water and sewer utility bylaw are greater than 1% for 2020, however actual revenues for 2019 were well under budget therefore 2020 budgeted revenue increase has been based off 2019 actuals rather than 2019 budget.
- Debenture interest decrease based on normal repayment schedule.
- Increase in transfer to capital reserve based on increased budgeted cash surplus in water utility.
- A few other minor decreases were also budgeted for based on 2019 and prior actuals, including training, chemical, and maintenance.
- Transfers budgeted to result in net zero budget in water utility after debt principle payment accounted for.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Local improvement charges	(3,822)	-	(3,822)	189	(78)
Service fees	(402,340)	(351,005)	(386,340)	(320,252)	(305,549)
Sanitary sewer services revenue	(406,162)	(351,005)	(390,162)	(320,063)	(305,627)
Wages and benefits	92,772	83,990	84,889	76,343	72,091
Contracted services	18,800	9,636	8,800	6,543	10,185
Materials, supplies and operating expenses	27,750	34,016	27,750	26,038	23,687
Debenture interest	28,331	32,008	33,199	24,469	27,433
Amortization	345,353	380,719	379,798	320,326	382,192
Sanitary sewer services expenses	513,006	540,369	534,436	453,720	515,588
	106,844	189,364	144,274	133,657	209,961
Operational budget adjustments					
Addback amortization	(345,353)	(380,719)	(379,798)	(320,326)	(382,192)
Services to other departments	(10,000)	(7,541)	(10,000)	(7,314)	-
Services from other departments	28,275	28,275	28,275	28,275	28,275
Transfer to reserve - capital	11,663	(37,457)	2,403	-	-
NET DEFICIT (SURPLUS) SANITARY SEWER SERVICES	(208,572)	(208,078)	(214,846)	(165,708)	(143,956)

Variance Highlights

- Approximately 4% increase in sanitary sewer service fee revenue based on rate increases passed in Bylaw 1659 in 2019
- Increase contracted services related to sewer inspections planned for 2020 to assess maintenance and life of different sewer lines throughout Town.
- Debenture interest decrease based on normal repayment schedule.
- Transfers to reserve budgeted to result in net zero budget in sewer utilities (sanitary and storm sewer combined) after debt principle payments accounted for.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Garbage collection fees	(426,000)	(432,228)	(413,500)	(429,275)	(422,053)
Solid waste revenue	(426,000)	(432,228)	(413,500)	(429,275)	(422,053)
Wages and benefits	164,441	165,860	148,068	177,410	179,603
Landfill fees	125,000	119,351	125,000	121,262	122,027
Landfill contract	41,580	41,580	41,580	41,580	39,835
Landfill closure	4,000	4,433	4,000	3,941	25,627
Materials, supplies and operating expenses	31,000	35,030	36,000	30,426	26,313
Amortization	25,960	37,086	37,086	52,980	35,535
Solid waste expenses	391,981	403,340	391,734	427,600	428,940
	(34,019)	(28,888)	(21,766)	(1,675)	6,887
Operational budget adjustments					
Addback amortization	(25,960)	(37,086)	(37,086)	(52,980)	(35,535)
Services to other departments	(14,000)	(12,269)	(14,000)	(10,284)	-
Services from other departments	45,725	45,725	45,725	45,725	45,725
Transfer to reserve - capital	28,254	32,518	27,127	19,215	-
NET DEFICIT (SURPLUS) SOLID WASTE MANAGEMENT	-	0	-	-	17,076

Variance Highlights

- Garbage collection fees increases \$12.5K based on 2019 actuals.
- Materials, supplies and operating costs decreased slightly as there is no repeat of additional bin purchased planned for 2020 as was budgeted in 2019.
- Transfers to reserves budgeted to result in net zero budget.

RECYCLING

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

RECYCLING	Budget 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Recycling service fees	(237,000)	(171,087)	(158,500)	(158,244)	(159,211)
Commodity revenue	(6,000)	(4,422)	(5,000)	(5,232)	(30,856)
Recycling revenue	(243,000)	(175,508)	(163,500)	(163,476)	(190,066)
Wages and benefits	3,639	124,946	142,493	136,792	136,671
Contracted services	240,861	2,760	4,500	4,560	4,140
Materials, supplies and operating expenses	-	24,690	16,000	21,678	11,204
Amortization	-	2,937	10,444	13,102	13,500
Recycling expenses	244,500	155,333	173,437	176,132	165,515
	1,500	(20,175)	9,937	12,656	(24,551)
Operational budget adjustments					
Addback amortization	-	(2,937)	(10,444)	(13,102)	(13,500)
Services to other departments	(1,500)	(1,441)	(1,500)	(1,115)	-
Transfer to reserve - capital	-	1,151	2,007	1,562	-
NET DEFICIT (SURPLUS) RECYCLING	(0)	(23,402)	-	(0)	(38,051)

Variance Highlights

- Significant increase in recycling service fee revenue is based on Bylaw 1676 passed in 2019. This is for an enhanced blue bin recycling program.
- Significant decrease in wages and benefits as the Town staff will no longer be hand collecting or sorting recycling. Recycling will now be collected by a 3rd party contractor. The little bit was wages and benefits still allocated to the recycling department is for a portion of the Director of Infrastructure's salary for managing the contractor and customer logistics.
- Significant increase in contracted services for new service of third party curbside collection.
- Materials, supplies and operating expenses eliminated as most all associated costs for recycling will now be borne by the third party contractor and be included in the contracted services.
- Amortization eliminated as equipment related to the old recycling program will be disposed of or transferred to other departments.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Provincial funding	(105,235)	(105,235)	(105,235)	(105,235)	(105,235)
MD of Willow Creek	(47,124)	(47,124)	(47,124)	(47,124)	(47,124)
Alberta Health Services (AHS)	(28,290)	(28,290)	(28,290)	(28,151)	(27,619)
Child & Family Services Alberta (CFSA)	(35,352)	(35,352)	(35,352)	(35,352)	(35,352)
Other income	(51,640)	(29,335)	(76,000)	(4,763)	(9,042)
FCSS Revenue	(267,641)	(245,335)	(292,001)	(220,624)	(224,372)
Wages and benefits	165,041	156,130	170,286	159,990	141,799
Professional development	3,000	1,003	3,500	2,394	4,737
Materials, supplies and operating expenses	49,478	49,938	46,848	50,090	72,834
Community grants	68,530	50,425	89,875	29,500	35,950
Accounting and legal	3,700	3,660	3,600	3,500	3,700
General FCSS expenses	289,749	261,156	314,109	245,475	259,019
	22,109	15,821	22,108	24,851	34,648
Operational budget adjustments					
Town of Claresholm Contribution	(26,309)	(26,309)	(26,309)	(26,309)	(26,309)
Admin Allocation	4,200	4,200	4,200	5,090	3,700
NET DEFICIT (SURPLUS) FCSS	(0)	(6,288)	(1)	3,632	12,039

Variance Highlights

- Significant decrease in other income with corresponding decrease in community grants as FCSS funding received for the Hamlet of Granum is not yet finalized, as well as there is a reduction in the amount carried forward into 2020 as there was in 2019.
- Slight decrease in wages due to staff turnover, losing some more experienced staff members.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Municipal contribution to daycare	38,202	38,202	38,202	38,202	38,202
NET DEFICIT DAYCARE CONTRIBUTION	38,202	38,202	38,202	38,202	38,202

Variance Highlights

- No changes to highlight.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Cemetery Fees	(15,500)	(18,954)	(14,500)	(15,086)	(13,604)
Local government grants	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Cemetery revenue	(18,500)	(21,954)	(17,500)	(18,086)	(16,604)
Wages and benefits	17,540	22,913	17,837	18,327	16,032
Materials, supplies and operating expenses	1,000	700	1,000	144	1,097
Cemetery expenses	18,540	23,613	18,837	18,471	17,129
	40	1,659	1,337	385	525
Operational budget adjustments					
Services from other departments	2,500	2,500	2,500	2,500	2,500
Transfer to reserve - capital	5,000	5,000	5,000	5,000	-
NET DEFICIT CEMETERY	7,540	9,159	8,837	7,885	3,025

Variance Highlights

- Slight increase in Cemetery fees based on 2019 actuals.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Physician recruitment	3,000	1,050	3,000	9,969	28,400
Physician recruitment expenses	3,000	1,050	3,000	9,969	28,400
	3,000	1,050	3,000	9,969	28,400
Operational budget adjustments					
Transfer from reserve - operations	(3,000)	(1,050)	(3,000)	(9,969)	(28,400)
NET DEFICIT (SURPLUS) PHYSICIAN RECRUITMENT	-	-	-	-	-

Variance Highlights

- There are no doctors still receiving incentives in the 2019 year. \$1,000 has been kept in the budget to cover other incidental incentive or gift baskets as well as \$2,000 was added to help compensate for housing of locum doctors during this time of doctor shortage.
- The program still has approximately \$15,000 in reserves which will be used to fund the 2020 expenditures.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Wages and benefits	7,367	5,832	7,263	5,043	6,760
Chemical and materials	10,000	6,963	15,500	8,243	7,917
Amortization	27,383	27,383	27,383	27,383	27,333
	44,750	40,177	50,146	40,669	42,010
Operational budget adjustments					
Addback amortization	(27,383)	(27,383)	(27,383)	(27,383)	(27,333)
NET DEFICIT WEED AND PEST CONTROL	17,367	12,795	22,763	13,286	14,677

Variance Highlights

- Decreased chemical and materials due to generally not doing three chemical application as previously budgeted for due to weather.
- No other 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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Grants and contributions	(131,200)	(63,240)	(46,328)	(63,458)	(28,072)
Economic development revenue	(131,200)	(63,240)	(46,328)	(63,458)	(28,072)
Wages and benefits	99,635	94,532	94,865	80,346	76,121
Materials, supplies and operating expenses	210,053	148,610	181,999	158,528	96,575
Economic development expenses	309,688	243,142	276,864	238,874	172,696
	178,488	179,902	230,535	175,416	144,624
Operational budget adjustments					
Transfer from reserve - operations	-	(51,072)	(61,878)	(11,872)	(42,000)
Transfer to reserve - operations	-	-	-	-	-
NET DEFICIT ECONOMIC DEVELOPMENT	178,488	128,830	168,657	163,545	102,624

Variance Highlights

- Grants and contributions increased \$85K, primarily for a Labour Market Partnership grant received in 2020. Some of the increase is also a result of budgeting for revenue from the billboard signage program (\$30K) separate from the expenses as was done in 2019. This revenue is offset by additional budgeted expenses in materials, supplies and operating expenses for the expenses related to this program.
- Materials, supplies and operating expenses increased approximately 30K due to the expenses related to the projects planned for which the LMP grant was received as well as the expenses related to the billboard signage program, both as noted above.
- No funds transferred from 2019 into 2020 this year, therefore no transfers from reserves.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Permits	(64,000)	(51,776)	(64,000)	(69,333)	(20,136)
Planning and development fees	(2,600)	(4,290)	(2,600)	(6,010)	(9,389)
Planning and development revenue	(66,600)	(56,066)	(66,600)	(75,343)	(29,524)
Wages and benefits	84,487	85,644	83,917	71,440	72,803
ORRSC membership	53,500	52,604	53,000	51,938	51,069
Legal and professional services	53,725	44,938	65,125	61,082	11,435
Materials, supplies and operating expenses	8,500	7,305	6,000	17,179	-
Planning and development expenses	200,212	190,490	208,042	201,638	135,306
NET DEFICIT PLANNING & DEVELOPMENT	133,612	134,424	141,442	126,296	105,782

Variance Highlights

- Legal and professional services decreased \$12K due to costs related to the Intermunicipal Development Plan (IDP) budgeted in the prior year not being duplicated in 2020. Though the IDP isn't yet completed, the costs should be primarily covered by an ACP grant received by the Town of Stavely.
- Materials, supplies and operating expenses increased by \$2,500 for potential surveying costs related to a few different development projects underway.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Local government grants	(50,000)	(50,000)	(50,000)	(50,000)	(25,000)
Summer Games	-	(13,254)	(9,000)	(9,475)	(4,850)
General recreation revenue	(50,000)	(63,254)	(59,000)	(59,475)	(29,850)
Golf course management	56,100	55,000	55,000	55,000	50,000
Debenture interest	4,292	6,572	6,670	8,871	11,164
Wages and benefits	70,109	69,133	69,256	69,078	62,018
Programming expenses	5,800	11,136	9,500	9,168	1,971
General recreation expenses	136,301	141,841	140,426	142,118	125,153
	86,301	78,587	81,426	82,643	95,303
Operational budget adjustments					
Transfer from reserve - operations	(50,000)	(50,000)	(50,000)	(50,000)	-
NET DEFICIT GENERAL RECREATION	36,301	28,587	31,426	32,643	95,303

Variance Highlights

- Removal of 2020 Summer Games revenue, and reduction of Programming Expenses is due to the Town of Claresholm not continuing in their role as the administrative lead for the Willow Creek Regional team.
- Golf Course Management Fee was increased by 2%.
- Debenture interest decreases year over year as debt is repaid.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Campground fees	(60,000)	(66,067)	(65,000)	(56,343)	(62,939)
Parks grants and other funding	(5,000)	(6,177)	(7,350)	(825)	(275)
Parks revenue	(65,000)	(72,244)	(72,350)	(57,168)	(63,214)
Wages and benefits	107,175	116,823	103,222	104,086	99,419
Materials, supplies and operating expenses	50,600	53,408	55,600	49,828	52,841
Amortization	180,101	186,499	206,124	195,246	158,170
Parks expenses	337,876	356,730	364,946	349,160	310,430
	272,876	284,486	292,596	291,992	247,216
Operational budget adjustments					
Addback amortization	(180,101)	(186,499)	(206,124)	(195,246)	(158,170)
Services to other departments	15,000	15,150	15,000	14,866	-
Transfer to reserve - capital	-	-	-	-	-
NET DEFICIT PARKS	107,775	113,138	101,472	111,612	89,046

Variance Highlights

- Campground fees budget decreased 5K due to COVID-19. Revenues may decrease even more depending on how long the campground closure lasts.
- Reduced parks grants and other funding based on historical difficulty actually receiving STEP grants that are budgeted for, and if received difficulty finding qualified applicants to fill the positions.
- Decrease in materials, supplies and operating expenses of \$5K due to no additional funds budgeted for new tables and chairs, as in 2019.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Minor hockey	(30,000)	(27,931)	(30,000)	(30,336)	(32,416)
Figure skating	(8,000)	(7,120)	(9,000)	(7,400)	(8,261)
Other rentals	(28,357)	(31,166)	(24,750)	(23,453)	(23,138)
Advertising	(7,700)	(7,960)	(6,000)	(11,550)	(5,193)
Arena revenue	(74,057)	(74,177)	(69,750)	(72,740)	(69,008)
Wages and benefits	114,492	102,395	112,755	138,194	120,912
Materials, supplies and operating expenses	95,750	91,001	75,750	117,883	73,569
Amortization	54,854	55,635	55,635	48,767	36,059
Arena expenses	265,096	249,031	244,140	304,843	230,540
	191,039	174,853	174,390	232,103	161,532
Operational budget adjustments					
Addback amortization	(54,854)	(55,635)	(55,635)	(48,767)	(36,059)
Services to other departments	6,000	5,979	6,000	3,462	-
Transfer to reserve - capital	7,700	7,960	6,000	11,550	-
NET DEFICIT ARENA	149,885	133,158	130,755	198,349	125,473

Variance Highlights

- Other rentals were increased due to additional adult and zone “AA” rentals expected.
- Advertising revenue increased based on 2019 actuals.
- Materials, supplies and operating expenses were increased \$20,000 for a compressor rebuild which is done every other year (2 compressors, each rebuilt once every 4 years).

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Lessons	(52,000)	(59,142)	(55,000)	(56,300)	(66,012)
Gate admission	(35,000)	(35,462)	(42,000)	(36,929)	(42,485)
Rentals	(18,000)	(18,630)	(18,000)	(20,810)	(18,801)
Other funding	(10,000)	(8,122)	(10,000)	(9,620)	(25,349)
Aquatic Centre revenue	(115,000)	(121,356)	(125,000)	(123,659)	(152,647)
Wages and benefits	187,373	232,170	227,865	233,709	239,639
Materials, supplies and operating expenses	40,000	35,813	38,400	35,993	43,425
Amortization	16,343	17,262	17,262	18,574	17,745
Aquatic Centre expenses	243,716	285,245	283,527	288,277	300,808
	128,716	163,889	158,527	164,617	148,161
Operational budget adjustments					
Addback amortization	(16,343)	(17,262)	(17,262)	(18,574)	(17,745)
NET DEFICIT AQUATIC CENTRE	112,373	146,628	141,265	146,044	130,416

Variance Highlights

- Decreases in lessons and gate admissions based on COVID-19 closure. Actual revenues may decrease even further based on actual length of pool closure.
- Wages and benefits decreased by \$40K based on COVID-19 pool closure and temporary lay-off of part time pool staff. Decrease may be larger based on actual length of pool closure.
- Materials, supplies and operating expenses increased \$2K for planned audit of safety, service, and staffing as required periodically by the Lifesaving Society.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Sales	(1,500)	(1,180)	(1,500)	(1,532)	(475)
Donations	(4,000)	(2,013)	(4,000)	(5,463)	(6,947)
Grants	(4,000)	(4,577)	(15,791)	(37,379)	(48,208)
Museum revenue	(9,500)	(7,770)	(21,291)	(44,374)	(55,630)
Wages and benefits	62,236	80,873	73,998	62,052	81,563
Materials, supplies and operating expenses	30,340	30,872	30,340	42,141	38,986
Professional development	1,500	1,572	2,000	226	1,789
Amortization	23,781	23,781	23,781	23,781	22,972
Museum expenses	117,857	137,099	130,119	128,201	145,310
	108,357	129,329	108,828	83,827	89,681
Operational budget adjustments					
Addback amortization	(23,781)	(23,781)	(23,781)	(23,781)	(22,972)
Services to other departments	3,000	2,630	3,000	2,069	-
Transfer from reserve - operations	-	(27,275)	(20,000)	(4,000)	-
NET DEFICIT MUSEUM	87,576	80,903	68,047	58,115	66,708

Variance Highlights

- Decrease in Grants due to expected decrease in utilization of summer staffing grants due to COVID-19 closures as well as no project grant budgeted for in 2020 as there was in 2019.
- Decrease in wages due to expected shorter museum season in 2020 due to COVID-19. Actuals may be even less depending on the length of the closure.

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 2020	Actual 2019	Budget 2019	Actual 2018	Actual 2017
Grant	190,000	185,275	193,840	185,035	174,740
Chinook Arch membership	30,883	30,278	30,278	29,673	28,636
Amortization	25,693	25,693	25,693	25,693	25,593
	246,576	241,246	249,811	240,402	228,969
Operational budget adjustments					
Addback amortization	(25,693)	(25,693)	(25,693)	(25,693)	(25,593)
Services to other departments	3,500	2,234	3,500	1,454	-
NET DEFICIT LIBRARY	224,383	217,786	227,618	216,162	203,376

Variance Highlights

- 5K increase in operational funding from 185K to 190K, however no capital funding requested for 2020, there slight drop in grant funding.
- No other significant variances to note.

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.

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.

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)	(178,879.00)
Municipal Sustainability Grant (MSI)	(1,118,758.00)
Community Facility Enhancement Program (CFEP)	(540,120.00)
Enabling Accessibility Grant	(55,785.00)
Federal Gas Tax Fund (FGTF)	(552,000.00)
<i>Total Government Transfers for Capital</i>	(2,445,542.00)
Transfers from reserves	(97,000.00)
Proceeds from long-term debt	(2,800,000.00)
Proceeds on sale or trade-in of vehicles and equipment	(75,000.00)
Tax funded	(10,000.00)
TOTAL FUNDING	<u>(5,427,542.00)</u>

Capital Summary Budget

ENGINEERING STRUCTURES PROJECTS	Funding	Expenditure
Municipal Stormwater System Upgrade - Phase 1 (carryforward from 2017/18 budgets)		255,542
<i>Funding: ACRP Grant</i>	(178,879)	
<i>Funding: MSI Grant</i>	(76,663)	
North Industrial Paving		450,000
<i>Funding: FGTF Grant</i>	(225,000)	
<i>Funding: MSI Grant</i>	(225,000)	
Amundsen Park Redevelopment - Phase 1		220,000
<i>Funding: FGTF Grant</i>	(117,000)	
<i>Funding: CFEP Grant</i>	(103,000)	
Infrastructure Master Plan including Water Reservoir Study		130,000
<i>Funding: FGTF Grant</i>	(125,000)	
<i>Funding: Capital Water and Sewer Reserve</i>	(5,000)	
ENGINEERING STRUCTURES TOTAL		1,055,542
BUILDINGS PROJECTS		
Multi-use Community Complex		3,800,000
<i>Funding: Debenture</i>	(2,800,000)	
<i>Funding: MSI Grant</i>	(592,095)	
<i>Funding: CFEP Grant</i>	(352,120)	
<i>Funding: Enabling Accessibility Grant</i>	(55,785)	
Arena Roof Replacement		170,000
<i>Funding: FGTF Grant</i>	(85,000)	
<i>Funding: CFEP Grant</i>	(85,000)	
BUILDINGS TOTAL		3,970,000
MACHINERY & EQUIPMENT PURCHASES		
Front End Loader		265,000
<i>Funding: MSI Grant</i>	(225,000)	
<i>Funding: Trade-in</i>	(40,000)	
Bobcat Replacement		45,000
<i>Funding: Trade-in</i>	(35,000)	
<i>Funding: Tax funded</i>	(10,000)	
MACHINERY & EQUIPMENT TOTAL		310,000
LAND FOR GOVERNMENT USES		
Storm reservoir land		92,000
<i>Funding: Land & Development Capital Reserve</i>	(92,000)	
MACHINERY & EQUIPMENT TOTAL		92,000

ENGINEERED STRUCTURES

Carryforward Capital Project from 2016/2017	
Project Name	Phase 1 – Storm Water Drainage Improvements
Anticipated Start	2016
Project Description	Continuation of Phase 1 of Storm Management Plan including Storm Water Management Facility, upgrade of 8 th Street Ditch and upgrades to Golf Course Ditch/Ponds
Remaining Cost	\$326,983
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.

2020 Capital Project	
Project Name	North Industrial Area Paving
Anticipated Start	2020
Project Description	Pave the North industrial area as promised to buyers at time of sale, once the subdivision lots have been sold.
Project Cost	\$450,000
Funding Sources	FGTF Grant and MSI Capital Grant
Rationale for need	The Town's subdivision is completed and all lots are serviced. We receive several complaints annually about road conditions. Winter maintenance is difficult on the graveled surface. Sanitary sewer manholes have to be dug out in the gravel for access for maintenance.
Impact on future operating costs	No expected impact on operations, less grader maintenance required.
Implications of deferring this project	As prices rise yearly, costs will increase in the future.

2020 Capital Project	
Project Name	Amundsen Park Upgrades Phase 1
Anticipated Start	2020
Project Description	Replace the playgrounds on the SE & NW corners of Amundsen Park, with one new structure, and construct a gazebo
Project Cost	\$220,000.00
Funding Sources	CFEP and FGTF grants
Rationale for need	This playground does not meet current safety codes and was on the scheduled list for replacement in 2018. This SE park was installed in 1995 and the original equipment is still in use. The swings were removed in 2007, when the NW swings were added. New park design.
Impact on future operating costs	No expected impact on operations.
Implications of deferring this project	Liability on equipment that does not meet CSA code. The planned replacement list of playground equipment in Town is based on a twenty-year cycle as 15 to 20 years is the expected life of new equipment. 9 parks/playgrounds are on the list.

2020 Capital Project	
Project Name	Infrastructure Master Plan
Anticipated Start	2020
Project Description	A Master plan of the Town's infrastructure
Project Cost	\$150,000.
Funding Sources	
Rationale for need	A Master plan is needed to move the Town's Infrastructure paper maps to digital format, so GPS locations can be added to GIS to accurately locate infrastructure and capture data on all assets. This will assist all future planning and project selection
Impact on future operating costs	No anticipated increase forecasted, but has the potential to save premature replacement of infrastructure by better information collection on all assets.
Implications of deferring this project	Harder to engineer repairs as we to develop digital prints of existing. Planning issues may be avoided with better mapping of existing infrastructure.

BUILDINGS

Carryforward Capital Project from 2018	
Project Name	Multi-Use Community Complex
Anticipated Start	2019
Project Description	New construction of Daycare, Playschool, Administration, and community space buildings
Project Cost	\$3,800,000
Funding Sources	Debenture, CFEP Grants, Canada Accessibility Grant, and MSI Capital Grants
Rationale for need	Existing office is over 70 years old and has reached its useful life, without major renovations.
Impact on future operating costs	Significant reduction in utilities costs, rent costs, and other operational costs due to being able to bring Administration, FCSS, and Economic Development all under one roof.
Implications of deferring this project	Current Administration building does not meet fire code, asbestos contamination, and internal plumbing replacement needed.

2020 Capital Project	
Project Name	Arena roof replacement
Anticipated Start	2020
Project Description	Replacing the entire roof over the Arena mezzanine. + damaged interior flooring.
Project Cost	\$170,000.00
Funding Sources	50/50 CFEP grant
Rationale for need	This is the original roof, and has been patched twice, last time in 2018. Flooring is now damaged. Recommended replacement in 2018, by Charlton Hill.
Impact on future operating costs	No impact on future operating.
Implications of deferring this project	The building repairs need to be completed as soon as possible as the roof is currently leaking. The dance floor has been ruined.

MACHINERY & EQUIPMENT

2020 Capital Purchase	
Project Name	New Front End Loader
Anticipated Date	2020
Project Description	Replacement of existing Wheel Loader (2007 model)
Project Cost	\$265,000.
Funding Sources	MSI Capital Grant and trade-in of existing loader
Rationale for need	This unit will be well past the 10-year turnaround cycle that we are currently striving to adapt. This unit was purchased used and is used daily year-round.
Impact on future operating costs	We see an operational benefit to equipment that is on warranty. Less down time and more work completed in a day, with properly operating equipment
Implications of deferring this project	Costly repairs to the existing machine will not increase its value. Slower completion of projects due to aging equipment.

2020 Capital Purchase	
Project Name	Bobcat replacement program
Anticipated Start	Yearly – No trade available in 2019
Project Cost	\$45,000 (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.
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.

LAND FOR GOVERNMENT USE

2020 Capital Purchase	
Project Name	Storm Water Holding Area
Anticipated Date	2020
Project Description	Purchase of land in Sundance area for storm water holding area
Project Cost	\$92,000.
Funding Sources	Capital reserves (proceeds from sale of other lands)
Rationale for need	Legalize access and subdividing public utility lot for storm water management.
Impact on future operating costs	No impact
Implications of deferring this project	Project has been underway for several years. Project cannot be deferred.