

**Smoky Lake County
2020 Proposed Budget**

		Operations	Road	Bridge	Capital	PROPOSED BUDGET	PASSED BUDGET	Increase (Decrease)	Notes
REVENUE									
Taxes	Farmland & Residential	3,599,204				3,599,204	3,509,000	2.5%	
	Machinery & Equipment	1,272,025				1,272,025	1,241,000	2.4%	
	Non- Residential	951,200				951,200	928,000	2.4%	(1)
	Linear	6,618,425				6,618,425	6,457,000	2.4%	
	Provincial Government	67,650				67,650	66,000	2.4%	
	Aggregate Tax Levy	200,000				200,000	200,000	0.0%	(2)
	Sewer Levy	8,800				8,800	8,800	0.0%	
Other Income	Well Drilling/ drill Rigs	5,305				5,305	5,305	0.0%	
	Penalties	74,095				74,095	74,095	0.0%	
	User Fees and Sales of Goods	999,729				999,729	888,030	11.2%	(3)
	Investment Income	356,312				356,312	291,312	18.2%	(4)
	Development Levies	27,500				27,500	27,000	1.8%	
	Licenses and Permits	27,000				27,000	27,000	0.0%	
Sales to Other Governments		108,190				108,190	118,643	-9.7%	
Grants	Provincial Conditional - Operating	373,308				373,308	369,006	1.2%	(5)
	CLC	125,700				125,700	125,700	0.0%	
	Transfer from Operating Reserves	500,000				500,000	752,000	-50.4%	(6)
TOTAL REVENUE		15,314,443	0	0	0	15,314,443	15,087,891	-1.5%	decrease in revenue
EXPENSE									
Salaries, wages and benefits									
	Salaries	5,632,252	45,467	0	2,706	5,680,425	5,634,708	1%	(7)
	Benefits	1,087,615	0	0	0	1,087,615	1,141,245	-5%	(7)
	WCB	55,000	0	0	0	55,000	55,000	0%	
	ELECTION FEES	1,000	0	0	0	1,000	0	#DIV/0!	
Contracted and general services									
	MILEAGE	59,455	0	0	0	59,455	65,665	-9%	
	MEALS & LODGINGS	115,370	0	0	0	115,370	121,610	-5%	(8)
	INDIV MEMBERSHIP & CONF FEES	65,905	0	0	0	65,905	68,741	-4%	
	FREIGHT, EXPRESS, POSTAGE	35,500	0	0	0	35,500	39,649	-10%	
	TELEPHONE, COMMUNICATION	61,602	0	0	0	61,602	61,233	1%	(9)
	TRAINING	123,371	0	0	0	123,371	135,865	-9%	
	ADVERTISING, PRINTING, SUBSC	108,230	0	0	0	108,230	103,383	5%	(10)
	ACCOUNTING & AUDITING	28,000	0	0	0	28,000	26,500	6%	
	LEGAL FEES	16,000	0	0	0	16,000	56,012	-71%	(11)
	ASSESSOR FEES	142,000	0	0	0	142,000	139,000	2%	
	ENGINEERING	55,000	0	60,000	0	115,000	55,000	109%	
	OTHER CONSULTING	184,750	0	0	0	184,750	281,240	-34%	(12)
	COMPUTERS-CONTRAC REPAIR	177,430	0	0	0	177,430	123,500	44%	(13)
	INSURANCE	227,200	0	0	0	227,200	206,417	10%	(14)
	MISC SERVICES	691,479	0	140,000	0	831,479	781,292	6%	(15)
Materials, goods and utilities									
	OFFICE/FOOD/JANITORIAL SUPPLIE	85,972	0	0	0	85,972	98,317	-13%	(16)
	FUEL/PARTS/ETC	389,510	433,882	0	10,294	833,686	957,192	-13%	(17)
	GRAVEL	620,000	911,858	0	0	1,531,858	1,500,283	2%	(18)
	CHEMICALS	110,500	0	0	0	110,500	72,041	53%	(19)
	COMPUTER SUPPLIES	66,700	0	0	0	66,700	68,600	-3%	(20)
	UTILITIES	165,434	0	0	0	165,434	158,723	4%	
	EMPLOYEE RECOGNITION	24,000	0	0	0	24,000	24,000	0%	(21)
	OTHER GENERAL SUPPLIES	158,941	0	0	0	158,941	157,426	1%	(22)
Transfers to local boards and agencies		428,555	0	0	0	428,555	417,045	3%	(23)
Bank charges and short term interest		5,850	0	0	0	5,850	6,780	-14%	
Transfers to reserve		281,739	0	0	0	281,739	281,739	0%	(24)
Requisitions		2,502,030	0	0	0	2,502,030	2,502,030		
contingency		31,360	0	0	0	31,360	55,800	-44%	(25)
Ammortization		2,064,786	0	0	0	2,064,786	2,064,786	0%	
Natural Gas						0	0		
TOTAL EXPENSE		15,802,536	1,391,207	200,000	13,000	17,406,743	17,460,822	0%	
TOTAL OPERATIONS		-488,093	-1,391,207	-200,000	-13,000	-2,092,300	-2,372,931		
	SALE OF CAPITAL ASSETS	0	0	0	0	0	200,000	#DIV/0!	(26)
	Provincial Conditional - Capital	0	744,250	0	100,000	844,250	3,452,194	309%	(27)
	TRANSFER FROM CAPITAL RESERVE	0	188,264	0	189,000	377,264	185,000	-51%	(28)
CAPITAL FUNDING		0	932,514	0	289,000	1,221,514	3,837,194		
	BUILDINGS/LAND	0	0	0	367,000	367,000	97,000		
	RESERVES	0	200,000	0	340,000	540,000	599,605		
	EQUIPMENT & FURNISHINGS	0		0	0	0	15,000		

**Smoky Lake County
2020 Proposed Budget**

					PROPOSED	PASSED	Increase	
	Operations	Road	Bridge	Capital	BUDGET	BUDGET	(Decrease)	Notes
ENGINEERING STRUCTURES	0	0	0	0	0	2,042,944		
EQUIPMENT	0	0	0	120,000	120,000	713,500		
VEHICLES	0	0	0	167,000	167,000	61,000		
	0	200,000	0	994,000	1,194,000	3,529,049	196%	(29)
TOTAL CAPITAL	0	732,514	0	-705,000	27,514	308,145		
NET (Deficit) Surplus	-488,093	-658,693	-200,000	-718,000	-2,064,786	-2,064,786		
NET Cash Deficit (Surplus)	1,576,693	-658,693	-200,000	-718,000	0	0		

Smoky Lake County Notes to the 2019 Passed Budget

1) Taxes

Based on 2.5% change to taxes (includes new tax levy required for policing)

1% Increase results in approximately \$120,000 in revenue

2) Aggregate Tax Levy

Annually we estimate a minimum of \$200,000 which is transferred to reserves for future haul road projects

3) User Fees and Sales of Goods

User Fees will increase as a result of the expected increase in campground revenues, increased mva revenue, public works revenue, water sales, as well as revenue from the water commission for services

4) Investment Income

Interest is earned on funds in AIB as well as the shareholders loan to CCI. In 2017 CCI began paying the interest owed. Council made motion 1109-17 to transfer the income from CCI to a connectivity reserve. We continue to manage funds to earn the best possible interest.

5) Provincial Conditional - Operating

Smoky Lake County receives operating grants for Agricultural Services, Family and Community Social Services, Community Adult Learning as well as a Municipal Sustainability Operating Grant. In 2018, additional operating grants were budgeted for the RCDC Cares programs. These are not expected this year thus decreasing the budget.

6) Transfer from Operating Reserves

In 2018 there was a surplus of \$725,000 which council chose to transfer to be used towards the 2019 operating budget. Right now, we are estimating a possible surplus of \$500,000 in 2019 therefore we have included it in 2020 revenue.

7) Salaries, Wages, and Benefits

The Cost of Living increase for 2020 is:

IOE 955

\$.50 per hour

CUPE

\$.60 per hour

Non union staff and managers

\$.60 per hour

Council motion 1253-19

That Smoky Lake County Council approve to not receive any Cost of Living (COLA) increment in Year-2020; in accordance with Policy Statement No. 08-18-17: Council Remuneration and Expenses, Section 3.1.2: Effective January 1st of each year, a Cost of Living increment rate (as established in the Statistics Canada - Consumer Price Index for the province of Alberta in the month of October from the previous year), will be automatically applied to Elected Officials' salaries or R.R.S.P. unless a motion of Council determines otherwise.

The budget includes incremental increases as per union contracts, however it does not budget incremental increases for management.

Administration

The Communications Manager will remain empty for 2020 while management evaluate work capacity.

Public Works

The 2020 budget includes full time Apprenticeship Heavy Duty Technician following through with the shop succession plan

7) Benefits

In 2019 we changed benefit providers to Victor (Encon). This has resulted in a savings, decreasing the overall budget by over 5%

LAPP contribution requirements remain the same

CPP Contribution rates increase to 5.25% from 5.1% however EI has a small decrease.

8) Mileage, Meals and Lodging, and Membership Fees

Administration has reviewed and made changes to the number of conferences attended. This will provide a savings of over \$17,000

9) Freight, Express, Postage/ Telephone, Communication/ Training

Management has carefully reviewed the expenses in these categories to see where savings can be found. As a result we have cut over \$16,000 from the budget.

10) Advertising

Advertising costs continue to increase. This budget includes the large grapevine ad and the increase in advertising that will be required for the legislated plans. To offset some of the increase, we have eliminated all unnecessary advertisements.

Advertising includes ASB extension work. \$30,000 was removed from the budget as the Board has pulled out of LARA and will fund local extension work

11) Auditing/ Legal/Assessor/Engineering Fees

Professional fees have been increased to reflect inflation

The LARA complaint has been withdrawn and the Board won the 2018 suit. We are able to reduce legal fees by \$40,000

12) Consulting

Fewer projects are planned for 2020 decreasing consulting fees. The list of projects are:

Historical Economic Development Plan	\$	45,000.00
Area Structure Plan	\$	10,000.00
Land Use Bylaw changes	\$	10,000.00

13) Computer - Software and hardware

This includes all the computer licensing, purchases, toner and office equipment repairs and maintenance.

* An upgrade to our strategic planning software is planned in 2020. The upgrade will allow us to include all council motions, link them to relevant legislated plans and create a more efficient tracking system for motion actions.

* A new website will continue to be developed in 2020.

14) Insurance

RMA as advised that insurance will rise 10-25%. We have budgeted for a 10% increase

15) Misc Services

Misc Services includes Equipment/Building Rentals, All repairs and maintenance (equipment/building/vehicle), license and permits, etc. Repair costs are expected to increase as a result of keeping vehicles and equipment instead of replacing.

The new policing charges are included in this category. We will be required to collect and pay the following for future years. We will set up a separate tax levy for transparency purposes

2020	\$63,702
2021	\$95,621
2022	\$127,404
2023	\$191,242
2024	\$191,242

16) Office/Food/Janitor Supplies

Management has reviewed these costs and has committed to decreasing these costs across all departments

17) Fuel/Parts/Etc

Parts will increase as repairs on older vehicles and equipment increase, however the decrease in road plan will decrease fuel and equipment wear which should reduce overall costs

This includes asphalt/oil used on the roads which has been reduced as a result of the decreased road plan

18) Gravel

This includes the gravel crushing contract and contract hauling

19) Chemicals

Increase in chemical costs is a result the purchase of another mower with sprayer

20) Utilities

Utilities have increased a small amount to reflect some inflation and increased electricity costs

21) Employee Recognition

Management has offset the increasing cost of long term employment awards by removing the entertainment at the 2020 Christmas party. These costs are partially offset by a refund from WCB included in sales.

22) Other General Supplies

This is where the cost of water is coded. As sales volumes continue to increase, we need to increase the volumes purchased. Other supply budgets have not been increased and in some departments, we have been able to decrease.

23) Transfers to local boards and agencies

This budget proposes to provide \$13,000 to the heritage board for operations and projects (an increase of \$4,000) It includes grants to organization, fire protection charges from the departments, the fixed charge from Evergreen, etc

At this time there is not enough information to estimate the funding that will be required for policing

24) Transfer to Reserves From Operations

	2019	2020
Aggregate Business Tax	\$ 200,000	\$ 200,000
Connectivity	\$ 54,469	\$ 54,469
Gravel Royalties	\$ 27,270	\$ 27,270
	<u>\$ 281,739</u>	<u>\$ 281,739</u>

25) Contingency

The contingency for 2019 was \$55,800 . The contingency budget is currently \$0

26) Sale of Capital Assets

	2019	2020
2 Graders - no graders will be replaced in 2020	\$ 200,000	\$ -
	<u>\$ 200,000</u>	<u>\$ -</u>

27) Provincial Capital Grants

	2019	2020
MSI Capital	\$ 1,609,250	\$ 844,250
STIP Bridge Program	\$ 1,712,944	\$ -
Federal Gas Tax Grant	\$ 130,000	\$ -
	<u>\$ 3,452,194</u>	<u>\$ 844,250</u>

28) Transfers from Capital Reserves

	2019	2020
Previous years projects	\$ 25,000	\$ 20,000
Aggregate Levy - Road Repair	\$ 123,000	\$ 165,000
Previous years Road	\$ -	\$ 23,264
Planned transfers	\$ 37,000	\$ 169,000
	<u>\$ 185,000</u>	<u>\$ 377,264</u>

\$ -

29) Transfers to Reserves

	2019	2020
5 Year Capital Plan	\$ 417,500	\$ 340,000
Road Plan	\$ 182,105	\$ 200,000
	<u>\$ 599,605</u>	<u>\$ 540,000</u>

0

30) Capital and Road Plan

The capital and road plan budgets are provided in detail through Requests for Decisions

31) Department Information

Detailed Department information is attached as 4.1(b)