

Town of Cardston
Budget Document
2015 through 2017

Approved December 9, 2014



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>

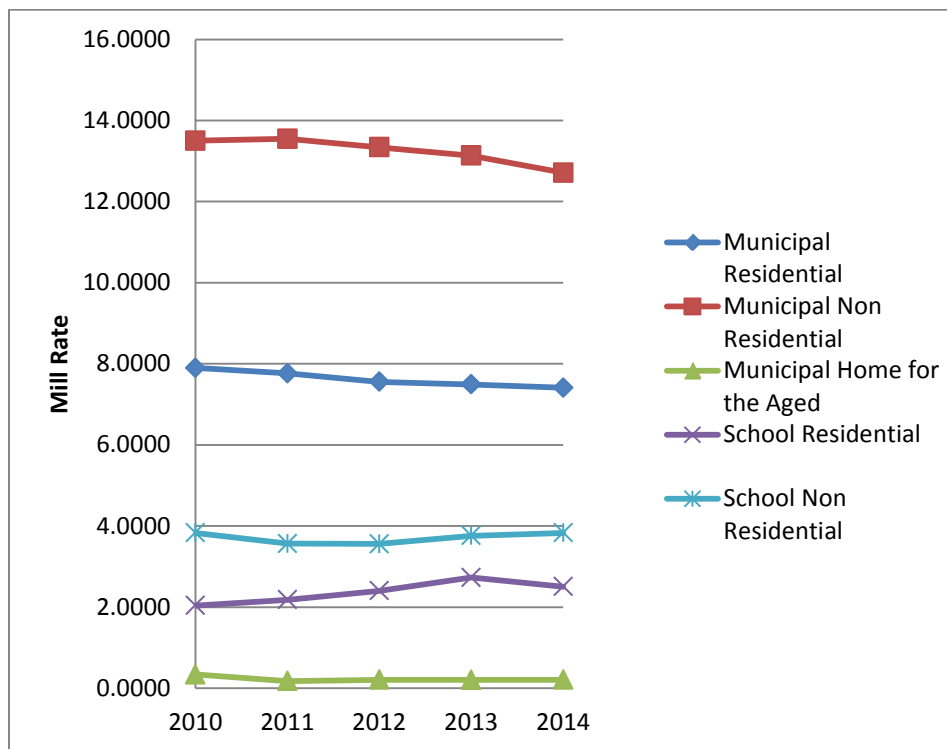
Town of Cardston Mill Rates

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. Council has also adopted the principle of full-cost recovery for utility infrastructure. This has resulted in the ability to reduce the municipal portion of the mill rate over the past 5 years.

The table and chart below outline the mill rate trends since 2010.

	2010	2011	2012	2013	2014	2015
Municipal Residential	7.9000	7.7660	7.5550	7.4912	7.4105	Will be set in May 2015
Municipal Non Residential	13.5000	13.5500	13.3390	13.1322	12.7107	Will be set in May 2015
Home for the Aged (Chinook Foundation)	0.3423	0.1793	0.2110	0.2068	0.2112	Will be set in May 2015
School Residential	2.0402	2.1826	2.4034	2.7302	2.5050	Will be set in May 2015
School Non Residential	3.8326	3.5684	3.5599	3.7594	3.8318	Will be set in May 2015



4 Year Budget Summary By Function

REVENUE	2014	2015	2016	2017
Net Municipal Taxes	3,395,444	3,479,354	3,525,620	3,572,349
User Fees and Sales of Goods	5,036,736	4,524,310	4,900,300	5,000,300
Government Operating Transfers	765,152	378,856	254,318	254,318
Government Capital Transfers	1,254,248	1,065,186	845,000	967,686
Investment Income	75,000	80,000	80,000	80,000
Franchise & Concession Fees	105,846	115,974	119,453	123,037
Penalties and Cost of Taxes	22,000	22,000	22,000	22,000
Licenses & Permits	36,750	38,200	38,200	38,200
Capital Income - Other	15,000	76,000	50,000	0
From Reserves to Operating	191,830	97,000	0	0
From Reserves to Capital	941,655	783,892	479,647	267,556
TOTAL REVENUE	11,839,661	10,660,772	10,314,538	10,325,446

EXPENSES	2014	2015	2016	2017
Requisitions	900,926	939,692	941,701	943,770
Legislative	114,004	135,893	149,847	163,900
Administration	1,140,333	1,198,549	1,153,343	1,186,311
Fire	122,954	121,632	121,980	122,337
Emergency & Disaster Services	1,300	0	0	0
Ambulance Services	0	0	0	0
Bylaw Enforcement	93,726	95,375	96,240	97,933
Roads, Streets, Walks, Lights	746,032	770,999	747,294	714,539
Airport	11,536	11,429	14,472	9,718
Water Supply & Distribution	487,056	480,848	488,051	505,538
Sewage Treatment & Disposal	549,761	508,742	534,535	529,672
Waste Management	571,172	288,382	296,412	304,714
Family & Community Services	247,770	231,266	231,267	231,267
Cemeteries & Crematoriums	73,797	65,710	67,310	68,954
Other Public Health & Welfare	33,924	35,347	35,664	35,988
Land Planning & Development	245,674	180,648	180,306	184,049
Economic Development	222,166	200,457	210,584	206,003
Parks & Recreation	889,400	930,833	846,654	857,342
Culture - Libraries & Museums	221,496	233,613	241,089	248,537
Electrical Distribution	1,624,068	1,360,644	1,437,263	1,553,213
Capital Expenditures	2,596,828	2,016,420	1,457,779	1,495,380
Loan Repayments	145,619	148,996	152,452	155,987
From Operating to Reserves	800,119	705,296	910,296	710,296
TOTAL EXPENSES	11,839,661	10,660,772	10,314,538	10,325,446
TOTAL SURPLUS/DEFICIT	0	0	0	0

*DEPARTMENT
OPERATING
BUDGETS*

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. Members of Council sit on various internal and external boards and committees and are compensated according to the Council Remuneration Policy. The following table outlines the Council remuneration fees for 2014 through 2017. The fees for Council & CCW meetings, per diems and Special Council meetings will be adjusted in 2015, 2016 & 2017 as per the annual increase to the Employee Association Contract.

	2014 Remuneration Fees	2015 Remuneration Fees	2016 Remuneration Fees	2017 Remuneration Fees
Mayor – Annual	\$3,439.50/year	\$3,893.00/year	\$4,346.50/year	\$4,800.00/year
Councillor – Assigned Committee Meetings	\$2,242.50/year	\$2,695.00/year	\$3,147.50/year	\$3,600.00/year
Council & CCW Meetings	\$191.00/mtg	TBD	TBD	TBD
Mileage	\$0.515 (per km)	TBD	TBD	TBD
Per Diem Half Day or Evening (0 – 4 hours)	\$106.00/mtg	TBD	TBD	TBD
Per Diem Full Day (4- 8 hours)	\$214.00/mtg	TBD	TBD	TBD
Special Council Meetings	\$191.00/mtg	TBD	TBD	TBD
Meals and accommodation at cost, must submit receipts				

**TBD = Rate not determined until Employee Association Contract is finalized

Council/Legislative Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues					
Total Revenues		0	0	0	0
Expenses	Mayor Honorarium	3,440	3,893	4,347	4,800
	Council Fee & Per Diem	70,000	93,000	106,000	119,100
	Delegation/Travel	30,064	33,500	34,000	34,500
	Council Prof. Development	10,500	5,500	5,500	5,500
Total Expenses		114,004	135,893	149,847	163,900
Net Revenue (Expense)		(114,004)	(135,893)	(149,847)	(163,900)

Variance Highlights

- 2014 Council Prof. Development included an additional \$5,000 for Strategic Planning Consultant

REQUISITIONS

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 Cardston pays requisitions to the Alberta School Foundation Fund and the Chinook Foundation. The Chinook Foundation requisition is not identified separately in the revenue portion of the budget, but is included in the general municipal taxes noted in the Administration function.

Requisition Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Taxes – School Residential	675,253	717,660	717,660	717,660
	Taxes – School Nonresidential	159,371	155,066	155,066	155,066
Total Revenues		834,624	872,726	872,726	872,726
Expenses	School Residential	675,253	717,660	717,660	717,660
	School – Nonresidential	159,371	155,066	155,066	155,066
	Chinook Foundation	66,303	66,966	68,975	71,044
Total Expenses		900,927	939,692	941,701	943,770
Net Revenue (Expense)		(66,303)	(66,966)	(68,975)	(71,044)

Variance Highlights

- Alberta School Foundation Fund tax amounts will not be confirmed until into the new year
- Chinook Foundation requisition has been estimated at a 3% increase

ADMINISTRATION

The Administration budget includes finance, taxation, reception, utilities, communication, human resources and general administrative costs. Taxes are included in the Administration budget, but are used to fund other areas of operations.

Administration Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Taxes	2,560,820	2,606,628	2,652,894	2,699,623
	Provincial Grant	503,491	120,867	0	0
	Grants Other Governments	7,343	3,672	0	0
	From Reserves Operating	191,830	97,000	0	0
	Return on Investment	75,000	80,000	80,000	80,000
	Gas Franchise	105,846	115,974	119,453	123,037
	Penalty on Taxes	22,000	22,000	22,000	22,000
	Miscellaneous	168,213	31,200	31,200	31,200
	Pasture Rental	2,500	2,500	2,500	2,500
	Land Lease	3,000	3,000	3,000	3,000
Total Revenues		3,640,043	3,082,841	2,911,047	2,961,360
Expenses	Salaries & Benefits	783,228	822,507	841,056	860,062
	Conference & Training	26,000	15,000	15,000	15,000
	Legal	15,000	15,000	15,000	15,000
	Audit	21,218	21,855	22,510	23,185
	Assessment	41,872	42,803	44,664	46,525
	Office Expense & Miscellaneous	212,366	201,734	186,462	197,887
	Public Relations	32,000	71,000	20,000	20,000
	Transfer to Reserves	430,814	421,226	421,226	421,226
	Transfer to Fund Capital	385,925	91,342	283,132	260,138
Total Expenses		1,948,423	1,702,467	1,849,050	1,859,023
Net Revenue (Expense)		1,691,620	1,380,374	1,061,997	1,102,337

Variance Highlights

- Reduction of \$96,679 in MSI operating revenue in 2015 and reduced to \$0 in 2016 and 2017
- 2014 revenues included \$137,013 for insurance proceeds to repair roofs
- 2014 revenues included \$279,400 for Regional Collaboration Grants for CMRSA Best Practices Study and Shared Services Review
- 2015 expenses include \$42,000 for Organizational/Governance review
- 2015 expenses include \$20,000 for new server and software upgrades

EMERGENCY SERVICES

The Emergency Services budget deals with Fire and Disaster Services. The Town of Cardston fire services are provided through Cardston County Emergency Services in partnership with Cardston County, the Village of Glenwood and the Village of Hillspring. The Town contributes 52% of the required budget. Alberta Health Services has leased a portion of the Fire Hall to provide a facility for their staff that are on call. This lease was extended for a further 3 year term effective January 1, 2015.

Emergency Management and Disaster Services is a function of administration with limited budget requirements except in the case of an event.

Emergency Services Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	AHS Lease	27,466	27,466	27,466	27,466
Total Revenues		27,466	27,466	27,466	27,466
Expenses	Fire Requisition	99,070	97,411	97,411	97,411
	Fire Dispatch	11,235	11,572	11,919	12,277
	AHS Lease Transfer	12,649	12,649	12,649	12,649
	Emergency/Disaster Management	1,300	0	0	0
	Transfer to Reserves	7,070	7,070	7,070	7,070
Total Expenses		131,324	128,702	129,049	129,407
Net Revenue (Expense)		(103,858)	(101,236)	(101,583)	(101,941)

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 vagrancy, with safety and security of residents taking a high priority. The activities will include an education component along with enforcement.

Bylaw Enforcement Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Fines & Fees	25,000	25,000	25,000	25,000
	Business Licenses	25,500	25,500	25,500	25,500
	Dog & Cat License/Pound Fees	5,250	7,000	7,000	7,000
	Bicycle Rodeo Donations	1,500	1,700	1,700	1,700
Total Revenues		57,250	59,200	59,200	59,200
Expenses	Salaries	65,926	65,794	67,110	68,452
	General Expenses	27,800	29,580	29,130	29,480
	Transfer to Reserves	3,000	3,000	3,000	3,000
Total Expenses		96,726	98,374	99,240	100,932
Net Revenue (Expense)		(39,476)	(39,174)	(40,040)	(41,732)

Variance Highlights

- 2014 budget includes cost for speed sentry signs and portable security camera purchases
- 2015 through 2017 revenue includes increase projected from increased fine levels in the proposed Bylaw amendment

ROADS, STREETS, WALKS & LIGHTS

The Roads, Streets, Walks and Lights budget is focused mainly on Public Works activities. This department is responsible for road maintenance including plowing, sanding, street sweeping, curb repairs, infrastructure maintenance, etc. This budget also includes the cost for street lighting.

Roads, Streets, Walks & Lights Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Public Works Custom	10,000	10,000	10,000	10,000
Total Revenues		10,000	10,000	10,000	10,000
Expenses	Salaries	230,378	230,341	234,948	239,647
	Snow Removal	65,167	66,511	67,141	67,784
	Salaries/Contractors				
	Sidewalk Repairs	25,000	65,000	65,000	25,000
	Materials, Fuel, Repairs, etc.	279,800	258,800	234,800	234,800
	Shop Expenses	61,251	67,847	62,095	63,172
	Street Lighting	42,000	42,000	42,000	42,000
Total Expenses		703,596	730,499	705,984	672,403
Net Revenue (Expense)		(693,596)	(720,499)	(695,984)	(662,403)

Variance Highlights

- 2015 and 2016 budgets include an additional \$40,000 for sidewalk repair in order to accommodate additional work on ramping corners for wheelchair and scooter access. This will be in place of capital sidewalk replacement for those 2 years. The funding for this project is proposed to come from the Capitalization Policy.
- 2015 budget includes \$22,000 for grader & loader tires

AIRPORT

The Town of Cardston owns the municipal airport. The Airport Committee oversees the operation of the airport and submits the annual budget for Council consideration.

Airport Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Leases	900	900	900	900
Total Revenues		900	900	900	900
Expenses	General Expense	11,536	11,429	14,472	9,718
Total Expenses		11,536	11,429	14,472	9,718
Net Revenue (Expense)		(10,636)	(10,529)	(13,572)	(8,818)

Variance Highlights

- 2016 budget includes \$15,000 for line painting for the runway

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 & Distribution Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Custom Work	5,000	5,000	5,000	5,000
	Billing Revenue	856,681	925,539	925,539	925,539
Total Revenues		861,681	930,539	930,539	930,539
Expenses	Salaries	205,570	215,898	210,222	214,636
	Distribution Expenses	79,373	60,000	60,000	60,000
	Plant Expenses	84,545	85,813	97,101	108,557
	Supply Expenses	107,568	109,136	110,728	112,344
	Enmax Customer Care	10,609	10,125	10,328	10,534
	Maintenance & Miscellaneous	10,000	10,000	10,000	10,000
	Transfer to Reserves	0	0	0	0
Total Expenses		497,665	490,972	498,379	516,071
Net Revenue (Expense)		364,016	439,567	432,160	414,468

Variance Highlights

- 2014 Distribution expenses included \$14,000 insurance claim for roof repairs

SEWAGE TREATMENT & DISPOSAL

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

Sewage Treatment & Disposal Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Custom Work	6,000	6,000	6,000	6,000
	Billing Revenue	803,930	903,079	903,079	903,079
Total Revenues		809,930	909,079	909,079	909,079
Expenses	Salaries	215,531	194,364	211,662	208,355
	Collection Expenses	103,048	87,700	87,750	87,800
	Plant Expenses	188,868	190,742	202,643	204,571
	Enmax Customer Care	10,609	10,125	10,328	10,534
	Maintenance & Miscellaneous	42,314	35,937	32,481	28,945
	Transfer to Reserves	45,000	0	0	0
Total Expenses		605,370	518,868	544,864	540,205
Net Revenue (Expense)		204,560	390,211	364,215	368,874

Variance Highlights

- 2014 budget included \$7,000 for roof repair and \$8,300 for catch basin repairs by Kirks Tire

WASTE MANAGEMENT

The Solid Waste and Recycling function provides weekly waste collection services through a contracted collection system. The Town also provides recycling services through a contract with the Cardston & District Association for the Handicapped. Both the waste collection and recycling contracts expire in May 2016. The Town is also responsible for the management of the Transfer Station located in the county, east of town. Cardston is one of twelve member municipalities who belong to the Chief Mountain Regional Solid Waste Authority, which is the body that manages the regional landfill.

Waste Management Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Custom Work	17,500	17,500	17,500	17,500
	Collection	282,163	299,400	299,400	299,400
	Recycling	29,040	29,040	29,040	29,040
	Miscellaneous	1,000	1,000	1,000	1,000
Total Revenues		329,703	346,940	346,940	346,940
Expenses	Salaries	3,927	3,927	4,006	4,086
	Collection Expense	156,052	160,734	165,556	170,522
	Recycling Expense	29,040	29,040	29,040	29,040
	Regional Contract	73,855	76,810	79,882	83,077
	Enmax Customer Care	10,609	10,125	10,328	10,534
	Maintenance & Miscellaneous	308,297	17,871	17,928	17,988
Total Expenses		581,780	298,507	306,740	315,247
Net Revenue (Expense)		(252,077)	48,433	40,200	31,693

Variance Highlights

- 2014 budget included \$248,103 for CMRSWA Best Practices Study, \$38,000 for roof repairs and \$4,000 for baler repairs

FAMILY & COMMUNITY SUPPORT SERVICES (FCSS)

FCSS is an 80/20 funding partnership between the Government of Alberta and the Municipality. The Town of Cardston operates a regional program in partnership with Cardston County, the Village of Glenwood and the Village of Hillspring. 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.

FCSS Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Provincial Grant	185,013	185,013	185,013	185,013
	County Contribution	19,874	19,874	19,874	19,874
	Villages Contribution	3,431	3,431	3,431	3,431
Total Revenues		208,318	208,318	208,318	208,318
Expenses	Salaries & Benefits	47,094	45,127	46,100	47,095
	Administration Expense	10,300	13,200	10,000	10,000
	Programming	190,376	172,939	175,167	174,172
Total Expenses		247,770	231,266	231,267	231,267
Net Revenue (Expense)		(39,452)	(22,948)	(22,949)	(22,949)

CEMETERY

The Cemetery is owned and operated by the Town of Cardston. The maintenance is provided through a contract and office staff oversee the administrative function.

Cemetery Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Cemetery	41,600	41,600	41,600	41,600
Total Revenues		41,600	41,600	41,600	41,600
Expenses	Salaries	15,535	16,107	16,429	16,758
	Contract Services	40,545	41,761	43,014	44,305
	Materials & Maintenance	17,717	7,842	7,866	7,892
Total Expenses		73,797	65,710	67,309	68,955
Net Revenue (Expense)		(32,197)	(24,110)	(25,709)	(27,355)

Variance Highlights

- 2014 budget included \$3,500 for pipe fence, \$2,000 for gravel and \$4,400 for building repairs and sprinkler replacement

OTHER PUBLIC HEALTH & WELFARE

The majority of the allocation within the Other Public Health & Welfare budget deals with weed and pest control. The Parks department has trained staff members who provide weed control within the parks. The majority of weed and pest control is provided through contracted services. The Town has incorporated an intensive larvacide program along with limited fogging to control mosquitos.

Under agreement between the Cardston Health Society and the Town of Cardston, commencing in 1968 with updates to May of 1991, the Town established a Cardston Health Society Trust Fund of \$20,600.00. The interest from this fund is allocated on a rotational basis annually to the Chinook Foundation and the Cardston Ladies Auxiliary.

Other Public Health & Welfare Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues					
Total Revenues		0	0	0	0
Expenses	Health Society Trust Fund	500	500	500	500
	Weeds & Pests	33,424	34,847	35,164	35,488
Total Expenses		33,924	35,347	35,664	35,988
Net Revenue (Expense)		(33,924)	(35,347)	(35,664)	(35,988)

LAND PLANNING & DEVELOPMENT

The Development Officer provides development services to the municipality and works with the Municipal Subdivision and Development Authority. The Town also employs a full-time Certified Engineering Technologist. 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 Park Enterprises.

Land Planning & Development Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Off-site Levies & Miscellaneous	21,600	21,600	21,600	21,600
	Building Permits	6,500	6,500	6,500	6,500
Total Revenues		28,100	28,100	28,100	28,100
Expenses	Salaries	116,903	119,777	122,173	124,616
	Inspection Fees	2,000	2,000	2,000	2,000
	General Expenses	128,771	60,871	58,133	59,433
Total Expenses		247,674	182,648	182,306	186,049
Net Revenue (Expense)		(219,574)	(154,548)	(154,206)	(157,949)

Variance Highlights

- 2014 budget included \$21,700 for Land Use Bylaw update, \$37,400 for Infrastructure Master Plan update and \$10,000 for Municipal Development Plan update

ECONOMIC DEVELOPMENT

The Economic Development budget includes activities related to economic development initiatives including tourism. Priority activities include investigation of a post-secondary education facility, developing incentives to attract business, and encouraging event tourism and activities.

Economic Development Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Land Sales	100,000	100,000	100,000	100,000
	Tourism	29,000	3,000	3,000	3,000
Total Revenues		129,000	103,000	103,000	103,000
Expenses	Salaries	65,914	69,590	70,982	72,402
	Tourism	87,735	63,000	65,735	65,735
	General Expenses	63,538	62,704	68,704	62,704
	Land Transfer to Reserves	100,000	100,000	100,000	100,000
Total Expenses		317,187	295,294	305,421	300,841
Net Revenue (Expense)		(188,187)	(192,294)	(202,421)	(197,841)

Variance Highlights

- 2015 through 2017 budgets exclude the Mormon Trail Initiative funding and expenses, as the Town of Cardston will not be the managing partner as it is intended the responsibility be cycled throughout the participating municipalities

PARKS & RECREATION

The Parks & Recreation budget deals with all activities related to recreation within the community with oversight from the Town. This includes activities related to park use, ice center use, the swimming pool and other recreation programming. The Town also provides Summer Games oversight for Cardston County on a fee for service basis. The Ag Society oversees the operations of the agridome. Black Sands Management Group is currently under contract for golf course operations.

Agridome/Campground/Civic Center/Golf Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Campground	101,000	101,000	101,000	101,000
	Civic Center	14,900	15,900	15,900	15,900
Total Revenues		115,900	116,900	116,900	116,900
Expenses	Agridome	42,918	7,196	7,555	7,933
	Campground	90,245	90,872	86,060	86,251
	Civic Center	98,805	184,329	101,894	103,498
	Golf Course	6,790	6,880	6,973	7,072
Total Expenses		238,758	289,277	202,482	204,754
Net Revenue (Expense)		(122,858)	(172,377)	(85,582)	(87,854)

Variance Highlights

- 2015 includes \$65,000 for repairs to the Civic Center including stucco and paint.
- 2015 includes \$19,000 for Civic Center sidewalk repairs with \$9,500 in funding from the Alberta Recycling grant (noted in Administration summary budget)

Ice Center Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Revenue	40,632	39,432	39,432	39,432
Total Revenues		40,632	39,432	39,432	39,432
Expenses	Salaries	73,459	74,678	76,172	77,695
	Maintenance & Materials	73,514	69,588	70,328	71,104
Total Expenses		146,973	144,266	146,500	148,799
Net Revenue (Expense)		(106,341)	(104,834)	(107,068)	(109,367)

Pool Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Revenue	156,500	62,000	62,000	62,000
Total Revenues		156,500	62,000	62,000	62,000
Expenses	Salaries	112,397	109,315	111,502	113,732
	Maintenance & Materials	58,140	47,500	48,450	49,419
Total Expenses		170,537	156,815	159,952	163,151
Net Revenue (Expense)		(14,037)	(94,815)	(97,952)	(101,151)

Variance Highlights

- 2014 Revenue budget included \$102,500 for waterslide donations
- 2014 budget included \$13,742 for security lighting, cameras, etc. and \$5,600 for irrigation installation on the grounds

Parks and Recreation Programming Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Recreation Programs	6,773	7,284	7,284	7,284
	General Rent	8,860	10,360	10,360	10,360
	Senior Center Rental	6,000	0	0	0
	County Recreation Grant	41,000	41,000	41,000	41,000
Total Revenues		62,633	58,644	58,644	58,644
Expenses	Salaries	110,553	113,782	116,058	118,379
	Administration	14,226	18,897	19,077	19,266
	Celebrations	46,750	49,750	49,750	49,750
	Grants General	49,300	49,300	49,300	49,300
	Beautification	15,500	18,100	15,500	15,500
	Irrigation	4,978	5,163	5,163	5,163
	Maintenance & Materials	103,453	97,296	94,685	95,093
	Transfer to Reserves	32,084	20,000	20,000	20,000
Total Expenses		376,844	372,288	369,533	372,451
Net Revenue (Expense)		(314,211)	(313,644)	(310,889)	(313,807)

Variance Highlights

- 2015 budget includes \$50,000 for a Mural project with grant funding in the amount of \$41,000 allocated in the Administration budget
- 2015 through 2017 Revenues exclude Senior Center rental of \$6,000 as this is no longer funded through FCSS so no rent is charged

CULTURE

The Culture budget deals with Library activities. 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 Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	County Library Grant	5,000	5,000	5,000	5,000
Total Revenues		5,000	5,000	5,000	5,000
Expenses	Salaries & Benefits	63,436	64,853	66,799	68,802
	Chinook Arch Membership	25,010	26,011	26,791	27,595
	Board Requisition & Administration	133,050	142,750	147,500	152,140
Total Expenses		221,496	233,614	241,090	248,537
Net Revenue (Expense)		(216,496)	(228,614)	(236,090)	(243,537)

Variance Highlights

- 2016 & 2017 Library budgets have not been confirmed

ELECTRICAL DISTRIBUTION

The Town of Cardston owns and operates its own electrical distribution system, which is somewhat unique with only 4 small communities in Alberta owning their own system. The Town is connected through Fortis to the provincial transmission system. The distribution system is capable of providing reliable access to power, but in recent years Council has taken a proactive approach to upgrading the system from 4 KV to a more reliable and robust 25 KV system. The Town has a contract with Enmax Power to manage the Regulated Rate Option and Default Supplier services to ensure compliance with provincial legislation. Kevin Phillips also provides consulting services to monitor the industry and provide advice on rate structures and other relevant material.

Electrical Distribution Summary Operating Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Transmission	795,000	439,010	740,000	776,000
	Distribution	1,162,000	1,121,000	1,178,000	1,237,000
	Custom Work	62,980	35,500	35,500	35,500
	Service Orders	5,500	5,500	5,500	5,500
	Balancing Pool	150,000	154,000	154,000	154,000
	Local Access Fee	94,000	78,000	96,000	101,000
Total Revenues		2,269,480	1,833,010	2,209,000	2,309,000
Expenses	Salaries & Benefits	281,722	309,762	318,676	327,870
	Distribution Access Tariff	981,000	727,000	807,000	911,000
	Load Settlement	135,000	121,000	123,420	125,888
	Transmission	108,497	127,383	112,403	112,423
	License & Tax	27,849	26,500	26,765	27,033
	Contracts	20,000	20,000	20,000	20,000
	Enmax Customer Care	10,609	10,125	10,328	10,534
	Materials & Administration	70,000	29,000	29,000	29,000
	Transfer to Reserves	182,151	154,000	159,000	159,000
Total Expenses		1,816,828	1,524,770	1,606,592	1,722,748
Net Revenue (Expense)		452,652	308,240	602,408	586,252

Variance Highlights

- Transmission revenue has been significantly decreased for 2015, 2016 and 2017 due to consultants projections
- 2015 budget includes a \$269,000 refund on the Transmission rider as the Fortis rate increase proposed for July of 2014 has not yet been approved, yet the Town of Cardston 2014 rates were reflective of the increase.

*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, the Capitalization Policy and tax or utility funding. The following is a brief explanation of capital project funding source options.

Basic Municipal Transportation Grant (BMTG)

The BMTG provides financial assistance from the provincial government for developing and maintaining transportation infrastructure. The program provides an annual allocation for capital construction and rehabilitation of local transportation infrastructure.

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.

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.

Capitalization Policy

In the 2004 budget, the Province of Alberta changed the cost sharing formula for the provision of policing services. This change in formula set the population threshold for communities to begin paying for policing services at 5,000. The Town of Cardston’s population is below the 5,000 person threshold, and therefore realized a savings in policing costs of approximately \$419,700 annually. Council directed that a policy be created to ensure that the savings from the change in the Province’s police funding not be absorbed into the day-to-day operations and that the savings be re-invested into the capital requirements of the Town. Annually, \$74,995 of the \$419,700 is ear-marked for restricted reserves to fund future replacement of recreation and public works assets.

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 3 years.

Funding Source	2015	2016	2017
Basic Municipal Transportation Grant	\$214,800	\$214,800	\$214,800
Federal Gas Tax Grant	\$207,458	\$180,000	\$211,607
Municipal Sustainability Initiative Grant	\$655,829	\$450,200	\$558,329
Alberta Municipal Water/Wastewater Grant	Nil	Nil	Nil
Reserves	\$469,695	\$133,647	\$160,000
Capitalization Policy	\$301,296	\$346,000	\$90,506
Utility Funded	\$68,768	\$201,353	\$214,258
Tax Funded	Nil	Nil	Nil
Other Sources	\$ 76,000	\$50,000	Nil

Note: 2015 Capital funding includes \$40,000 from Capitalization Policy used to fund operating expense for sidewalk wheelchair ramps and catch basin repairs.

Capital Summary Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues	Provincial Infrastructure Grant	655,829	655,829	450,200	558,329
	Federal Infrastructure Grant	236,119	194,557	180,000	194,557
	Grants Other	147,500			
	Street Improvements Grant	214,800	214,800	214,800	214,800
	Land Reserves	251,336			
	From Reserves Capital	690,319	783,892	479,647	267,556
	Ag Society Repayment	5,000			
	Miscellaneous Capital Revenue			50,000	
	Contributed Assets	10,000	76,000		
	From Operating	385,925	91,342	283,132	260,138
Total Revenues		2,596,828	2,016,420	1,657,779	1,495,380
Expenses	Council Approved Capital		62,574	121,779	45,880
	Capital Sidewalk Replacement	45,283			50,000
	Public Works Capital	135,500	200,000		190,000
	New Pavement	287,800	360,000	240,000	302,500
	Garbage Capital	8,000	12,000	16,000	
	Planning Capital	82,900	51,000		
	Bylaw Capital		42,000		
	Community Irrigation Line	5,864		100,000	
	Weed Spraying Capital		15,000		
	Parks Capital	77,916	40,000	90,000	
	Pool Capital	760,000	416,695	20,000	
	Ice Center Capital			60,000	180,000
	Civic Center Capital	75,000			
	Golf Capital			200,000	
	Water Capital	203,141	125,000	210,000	212,000
	Waterline Extension	211,600			
	Storm Sewer Capital	50,000			
	Sanitary Sewer Capital	141,975	380,000	315,000	230,000
	Sanitary Sewer Line Extension	210,000	100,000		
Light Capital	301,849	212,151	285,000	285,000	
Total Expenses		2,596,828	2,016,420	1,657,779	1,495,380
Net Revenue (Expense)		0	0	0	0

PUBLIC WORKS 2015

Capital Project	
Project Name	2nd Avenue West Extension
Project Description	Build gravel road extending from 12 th Street West through to black dirt pile.
Project Cost	\$40,000
Funding Sources	BMTG
Rationale for need	There is currently a sub-standard road going West from 12 th street which in the past has provided access to the Town owned property where the black dirt is stored. The road turned slightly south, which crosses the property that has recently been purchased by Schaffer Construction. The new owner has constructed a shop on the property and has built a fence to secure the property. Although there is still access to the Town owned land, the “dirt trail” is not sufficient to accommodate heavy truck traffic that is required to haul the black dirt. This road would also provide access to any future development of the West industrial area.
Impact on future operating costs	Regular maintenance.
Implications of deferring this project	Difficult access to black dirt pile. Building of the road allows Schaffer Construction to finalize his fence construction and better define the property boundaries.

Capital Project	
Project Name	John Deere 710 Backhoe
Project Description	Purchase a John Deere 710 Backhoe.
Project Cost	\$160,000
Funding Sources	MSI - \$115,000; Capitalization Policy - \$45,000
Rationale for need	The current backhoe is 13 years old and is starting to create maintenance costs. The backhoe is used for all the major projects, service connections and grave excavation.
Implications of deferring this project	Potential additional cost of maintenance and repairs, especially if there were to be a major failure. The trade-in value will continue to reduce over time based on condition of the backhoe. If the equipment is not replaced in 2015, it will require new tires which would cost approximately \$10,000.
Other options	Potential equipment lease which would move the expense to an annual operational cost. This would also include additional interest on the lease which increases the cost of the equipment.

NEW PAVEMENT 2015

Capital Project	
Project Name	2nd Avenue West – 1st to 3rd Street
Project Description	Paving as 2 nd Avenue is scheduled for a water and sewer main replacement in 2015.
Project Cost	\$240,000
Funding Sources	BMTG - \$144,250; MSI - \$80,000; Capitalization Policy - \$15,750
Rationale for need	As this avenue is a main road which is heavily travelled it is scheduled to be paved once the underground infrastructure is complete.
Implications of deferring this project	If the road is left graveled, it will break up over the winter months.

Capital Project	
Project Name	5th Street West – 3rd to 4th Avenue
Project Description	Replace pavement on 5 th Street West between 3 rd and 4 th Avenue (West end of Town Square)
Project Cost	\$120,000
Funding Sources	BMTG - \$30,550; FGT - \$62,720; MSI - \$26,730
Rationale for need	The pavement is increasingly deteriorating and is requiring numerous patches per year.
Implications of deferring this project	The road will continue to deteriorate.

PLANNING 2015

Capital Project	
Project Name	GPS Equipment
Project Description	Replace GPS equipment
Project Cost	\$41,000
Funding Sources	MSI - \$37,890; Capitalization Policy - \$3,110
Rationale for need	The current equipment is antiquated and is not as accurate as required. This equipment is used for our planning department to survey for utility construction, service connections, roads, culverts, drainage paths, building elevations, etc.
Implications of deferring this project	Inaccurate measurement which needs to be compensated for in designing and building utility infrastructure.

Capital Project	
Project Name	Flow Monitor
Project Description	Purchase a flow monitor used for measurement for sanitary system modeling.
Project Cost	\$10,000
Funding Sources	Capitalization Policy
Rationale for need	The additional flow monitor increases the reliability and timeliness of our seasonal sanitary sewer system flow data. We purchased 2 monitors and have been renting the 3 rd monitor in 2014, anticipating the purchase in 2015. This equipment allows us to better determine areas of infiltration which identifies areas for repair. As well, this information provides accurate information for future pipe sizing, etc.
Implications of deferring this project	There would be a continued need for rental of the equipment to provide the necessary data.
Other options	Continue to rent the equipment which creates additional operating costs.

BYLAW 2015

Capital Project	
Project Name	Truck
Project Description	Purchase Ford F150 truck
Project Cost	\$42,000
Funding Sources	Reserves - \$9,000; Capitalization Policy - \$33,000
Rationale for need	There has been a plan to replace one fleet vehicle per year. The current Bylaw truck will remain in the fleet and our 1989 GMC ½ ton will be sold. The 1989 is currently being used to water flower baskets, etc. and the Bylaw truck will be moved to the Parks Department to accommodate this task.
Implications of deferring this project	The 1989 GMC ½ ton that is being replaced is on the verge of requiring substantial repairs and maintenance.
Other options	Defer purchase for 1 year.

WEED SPRAYING 2015

Capital Project	
Project Name	ATV & Spraying Equipment
Project Description	Purchase ATV & spraying equipment
Project Cost	\$15,000
Funding Sources	Capitalization Policy
Rationale for need	The current weed spraying equipment is being pulled behind a tractor, which is not the most effective means for accessing rough terrain, steep hills, etc.
Implications of deferring this project	Continue to complete the task to the best of our ability using the current equipment.

PARKS 2015

Capital Project	
Project Name	Fogger
Project Description	Purchase fogging equipment
Project Cost	\$10,000
Funding Sources	Capitalization Policy
Rationale for need	The fogging equipment purchased from Raymond a few years ago has created some operational safety concerns. The equipment does not have an easily accessible shut off mechanism, so the operator has to be exposed to the chemical to shut it off. The new foggers use significantly less chemical to achieve the same result.
Implications of deferring this project	Continue to expose the operator to the chemical.
Other options	Discontinue fogging.

Capital Project	
Project Name	South Tot Lot Upgrade
Project Description	Upgrade the Tot Lot located on 2 nd Street West between 7 th and 8 th Avenue.
Project Cost	\$30,000
Funding Sources	Capitalization Policy
Rationale for need	The neighborhood playgrounds around the community have had regularly scheduled upgrades and the South Tot Lot is next on the agenda. This project is partially funded through a Community Facility Enhancement Program grant which the Service Clubs in town have applied for. The actual project cost is \$60,000
Implications of deferring this project	No significant impact, other than continued deterioration of the equipment and access to an updated park for the neighborhood.

POOL 2015

Capital Project	
Project Name	Building Renovation
Project Description	Continue with Building Renovation
Project Cost	\$416,695
Funding Sources	MSI - \$100,000; Cardston County In Kind - \$76,000 Reserves - \$240,695
Rationale for need	The next stage of pool construction is the renovation of the building. The condition of the current interior is substandard and in need of significant work.

WATER 2015

Capital Project	
Project Name	2nd Avenue West – 1st to 2nd Street
Project Description	Replace water main
Project Cost	\$70,000
Funding Sources	FGT
Rationale for need	This is a cast iron main which is one of the oldest mains installed in town.
Implications of deferring this project	Potential for major failure of the pipe.

Capital Project	
Project Name	Genset 9th Avenue Booster Station
Project Description	Purchase generator for 9 th Avenue booster station
Project Cost	\$48,000
Funding Sources	Capitalization Policy - \$23,000; Reserves \$25,000
Rationale for need	The generator would allow us to maintain water flows during a power outage and in particular to accommodate fire protection for the east hill.
Implications of deferring this project	Continue to have portions of the community with inferior water flows during a power outage.

Capital Project	
Project Name	Aeration Windmills
Project Description	Install aeration windmills in the West reservoir
Project Cost	\$7,000
Funding Sources	Capitalization Policy
Rationale for need	The windmills will assist with the raw water quality coming into the plant. This will reduce the amount of treatment required.
Impact on future operating costs	This potentially reduces the amount of chemical required for treatment.

SANITARY SEWER 2015

Capital Project	
Project Name	2nd Avenue West – 1st to 3rd Street
Project Description	Replace sanitary sewer main
Project Cost	\$160,000
Funding Sources	FGT - \$64,738; MSI - \$61,588; Capitalization Policy - \$33,674
Rationale for need	This main is an older main and as there is a water main replacement scheduled for this avenue, it is recommended the sewer main be replaced at the same time.
Implications of deferring this project	Potential for failure of line after new pavement has been laid further to the water main replacement.
Other options	

Capital Project	
Project Name	Screenings Compactor
Project Description	Purchase a screenings compactor
Project Cost	\$135,000
Funding Sources	MSI - \$74,621; Reserves - \$45,000; Capitalization Policy - \$15,379
Rationale for need	The screenings compactor will reduce the moisture from the collected solids prior to treatment of the effluent at the Wastewater Treatment Plant. This will reduce the weight for hauling, corrosion on the trucks and the smell at the stockpile.

Capital Project	
Project Name	Plant Electrical Power Factor Upgrade
Project Description	Purchase equipment for the Wastewater Plant for energy efficiency
Project Cost	\$15,000
Funding Sources	Capitalization Policy -\$8,383; Utility Funded - \$6,617
Rationale for need	Wastewater Plant electrical power factor upgrade to install capacitors to improve power factor & reduce utility costs.

Capital Project	
Project Name	5th Street West – 3rd to 4th Avenue
Project Description	Replace sanitary sewer main
Project Cost	\$70,000
Funding Sources	FGT - \$10,000; MSI - \$60,000
Rationale for need	This main is an older main and as there is pavement scheduled for this street, it is recommended the sewer main be replaced prior to paving.
Implications of deferring this project	Potential for failure of line after new pavement has been laid further to the water main replacement.

SANITARY LINE EXTENSION 2015

Capital Project	
Project Name	7th Street East – 3rd to 5th Avenue
Project Description	Extend sanitary sewer line from 3 rd Avenue to 5 th Avenue East
Project Cost	\$100,000
Funding Sources	MSI
Rationale for need	The elevation is not sufficient for connection for any new development South of 5 th Avenue East.
Implications of deferring this project	Development will not have access to sanitary sewer.

GARBAGE CAPITAL 2015

Capital Project	
Project Name	Purchase cardboard bin
Project Description	Purchase cardboard bin for inventory
Project Cost	\$12,000
Funding Sources	Capitalization Policy
Rationale for need	The current inventory of bins has been depleted and occasionally there is a need for an additional bin placement
Implications of deferring this project	No inventory on hand when need arises and delivery would take approximately 10 to 12 weeks.

LIGHT 2015

Capital Project	
Project Name	LED Street Lighting
Project Description	Install LED street lighting
Project Cost	\$20,000
Funding Sources	Utility Funded
Rationale for need	Continue conversion of street lights to LED lamps for energy conservation

Capital Project	
Project Name	Transformer – Water Treatment Plant
Project Description	Purchase back up transformer for Water Treatment Plant
Project Cost	\$8,500
Funding Sources	Utility Funded
Rationale for need	In the event of a transformer failure, a replacement is not easily accessible and could take up to 16 weeks for delivery. The cost to operate the plant on the back up generator would be prohibitive.
Implications of deferring this project	In the event of a failure, the plant would have to operate on the back up generator.

Capital Project	
Project Name	25 KV Upgrade
Project Description	Upgrade distribution system from 4 KV to 25 KV
Project Cost	\$183,651
Funding Sources	Reserves - \$150,000; Utility Funded - \$33,651
Rationale for need	Create a more reliable and robust distribution system.

MAJOR PROJECTS TO CONSIDER

These projects are not currently in the budget as funding sources have not been determined, but should be given consideration.

Capital Project	
Project Name	Creek Bank Erosion
Project Description & Rationale	In June of 2014 the creek banks at the raw water intake and along the golf course and the campground were significantly damaged by high water. There are priority locations that require remediation prior to the upcoming spring high water event. Those areas are the raw water intake, directly west of the golf course bridge and the campground. Administration has applied to the Province for Disaster funding and the program has been approved as of November 2014. Administration is working with the Provincial representatives to identify what portion of the work and costs associated will be approved under the program. We have also applied to the Alberta Community Resilience Program, but have since been notified that the application was denied due to the necessity of engineering prior to approval. We will reapply in March 2015 for any portion of the project that will not be funded under the Disaster Recovery Program.
Project Cost	\$2,377,000 for complete protection; or \$1,850,500 for selective protection
Funding Sources	<p>Option 1- Alberta Disaster Recovery Program - \$2,377,000</p> <p>Option 2 - Alberta Community Resilience Program – \$2,140,020 Application has been made for this funding – 90% of total project costs.</p> <p>Option 3 - Loan Proceeds – Alberta Capital Finance Authority</p> <p>\$2,377,800 - Complete Protection 15 year term @ 2.814% Semi-annual payment - \$97,709 Annual payment - \$195,418 Total interest - \$553,479</p> <p>20 year term @ 3.124% Semi-annual payment - \$80,385 Annual payment - \$160,770 Total interest - \$837,615</p> <p>\$1,850,500 – Selective Protection 15 year term @ 2.814% Semi-annual payment - \$76,041 Annual payment - \$152,082</p>

	<p>Total interest - \$430,740</p> <p>20 year term @ 3.124%</p> <p>Semi-annual payment - \$62,559</p> <p>Annual payment - \$125,118</p> <p>Total interest - \$651,866</p> <p>Option 4 – Grant Funding under Current Grant Programs This option would utilize grant funding which is currently available to the Town and would include Federal Gas Tax Fund (FGTF), estimated at \$194,557 for 2015 and possibly Municipal Sustainability Initiative (MSI) Capital, estimated at \$655,829. For the 2015 and 2016 budgets, plans are in place to utilize funding from these programs on Equipment Purchases, Facility Upgrades and Infrastructure such as paving, water and sewer lines.</p> <p>If this project is approved, we are anticipating a combination of the above options which will largely be dependent on funding approvals under Options 1 and 2.</p>
Rationale for need	If the priority areas are not protected, there is potential to lose major infrastructure in any future event.

Capital Project	
Project Name	12th Street West Upgrade
Project Description & Rationale	12 th Street West is currently a gravel road which is oiled semi-annually. Due to the nature of traffic on this road, it continues to fill with potholes and breaks up quite frequently. Council received a request from the Ag Society to consider upgrading the road to a paved surface. This would require major improvements to the base of the road.
Project Cost	\$2,029,500 to excavate and rebuild the road; or \$1,804,000 to rebuild ditches and slopes
Funding Sources	Grants or borrowing similar to the Creek Bank Erosion. Allocating grants toward these major infrastructure projects means that there would not be funding for the projects currently designated.
Impact on future operating costs	Reduction in oiling costs. Currently budget \$30,000 for oiling annually and the majority of this cost would be for 12 th Street. There would still be approximately \$10,000 required for oiling in other areas of the community.
Other options	The County has tested a product on the cemetery road called “Rhino Snot”. This may be a possibility if that product holds up well over the winter.

Capital Project	
Project Name	Highway #5 Industrial Area Access Upgrade
Project Description & Rationale	Administration has been working with Alberta Transportation on providing access to the West Industrial land. Access is required to this property to accommodate sale of industrial land.
Project Cost	Unknown at this time
Funding Sources	Grants or borrowing similar to the Creek Bank Erosion. Allocating grants toward these major infrastructure projects means that there would not be funding for the projects currently designated.

Long Term Debt Information

Loan Repayment Summary Budget

		2014 Budget	2015 Budget	2016 Budget	2017 Budget
Revenues					
Total Revenues					
Expenses	Sewer Debenture Principal	145,619	148,996	152,452	155,987
Total Expenses		145,619	148,996	152,452	155,987
Net Revenue (Expense)		(145,619)	(148,996)	(152,452)	(155,987)

Debt as at December 31, 2014

Purpose	Principal as at December 31, 2013	Interest Rate	Annual Principal Payment	Annual Interest Payment	Principal as at December 31, 2014
Wastewater Outfall Line Debenture	\$1,264,029	2.306%	\$145,619	\$28,314	\$1,118,410

The debenture debt is repayable to Alberta Capital Finance Authority and **matures in 2021**.

Debt Limit as at December 31, 2013

	2013
Total debt limit	\$12,964,539
Total debt	\$ 1,275,689
	<u>\$11,688,850</u>
Debt servicing limit	\$2,160,757
Debt servicing	\$ 178,590
	<u>\$1,982,167</u>

The debt limit for the municipality is defined in Alberta Regulation 255/00 and is calculated at 1.5 times revenue of the municipality and the debt service limit is calculated at 0.25 times such revenue. The calculation alone does not represent the financial stability of the municipality.

Personnel

	2014	2015	2016	2017
Administration				
FTE	8	8.25	8	8
Bylaw Enforcement				
FTE	1	1	1	1
SEASONAL	1	1	1	1
Electrical				
FTE	3	3	3	3
FCSS				
FTE	0.5	.5	.5	.5
Planning & Development				
FTE	2	2	2	2
Public Works				
FTE	7	7	7	7
SEASONAL	1	1	1	1
Recreation & Parks				
FTE	4	4	4	4
SEASONAL	20	20	20	20
Tourism				
SEASONAL	2	2	2	2
Water/Wastewater				
FTE	3	3	3	3
TOTAL FTE	28.5	28.75	28.5	28.5
TOTAL SEASONAL	24	24	24	24

Note: FTE = Full-time Equivalent

Utility Rates

In December of 2012, Mayor and Council passed 3rd reading of the Utility Rate Bylaw which addressed rates up to and including 2015 for water and sewer. The following is a summary of the rates for 2015.

Water

	Flat Fee/30 day Cycle	Per Cubic Meter	Non Metered Rate/ 30 day Cycle
Residential	\$18.25	\$0.82	\$100.00
Commercial/Industrial	\$18.25	\$0.82	
Institutional	\$18.25	\$0.90	
Fill Station		\$3.75	
Out of Town Residential	\$36.50	\$1.10	\$200.00
Out of Town Commercial	\$36.50	\$1.10	

Sewer

	Flat Fee/30 day Cycle
Residential	\$40.50
Commercial/Industrial	\$40.50 plus fee based on water consumption
Institutional	\$40.50 plus fee based on water consumption
Out of Town Residential	\$60.75

The Garbage utility rate has been in effect since September of 2011.

Garbage

	Flat Fee/30 day Cycle
Recycling Fee – Domestic	\$1.42
Recycling Fee – Commercial	\$1.42
Regional Waste Authority Fee	\$3.21
Residential Collection	\$10.35
Commercial/Industrial Collection	\$10.35 X # of units (varies)

Electrical

Due to a reduction in the Fortis Distribution and Transmission charges, an electrical rate adjustment is required in the form of a credit Transmission Rider. Effective January 1, 2015, the Electrical Distribution Tariff Transmission Rider rate is set at -38.0%.