



BUDGET

TOWN OF

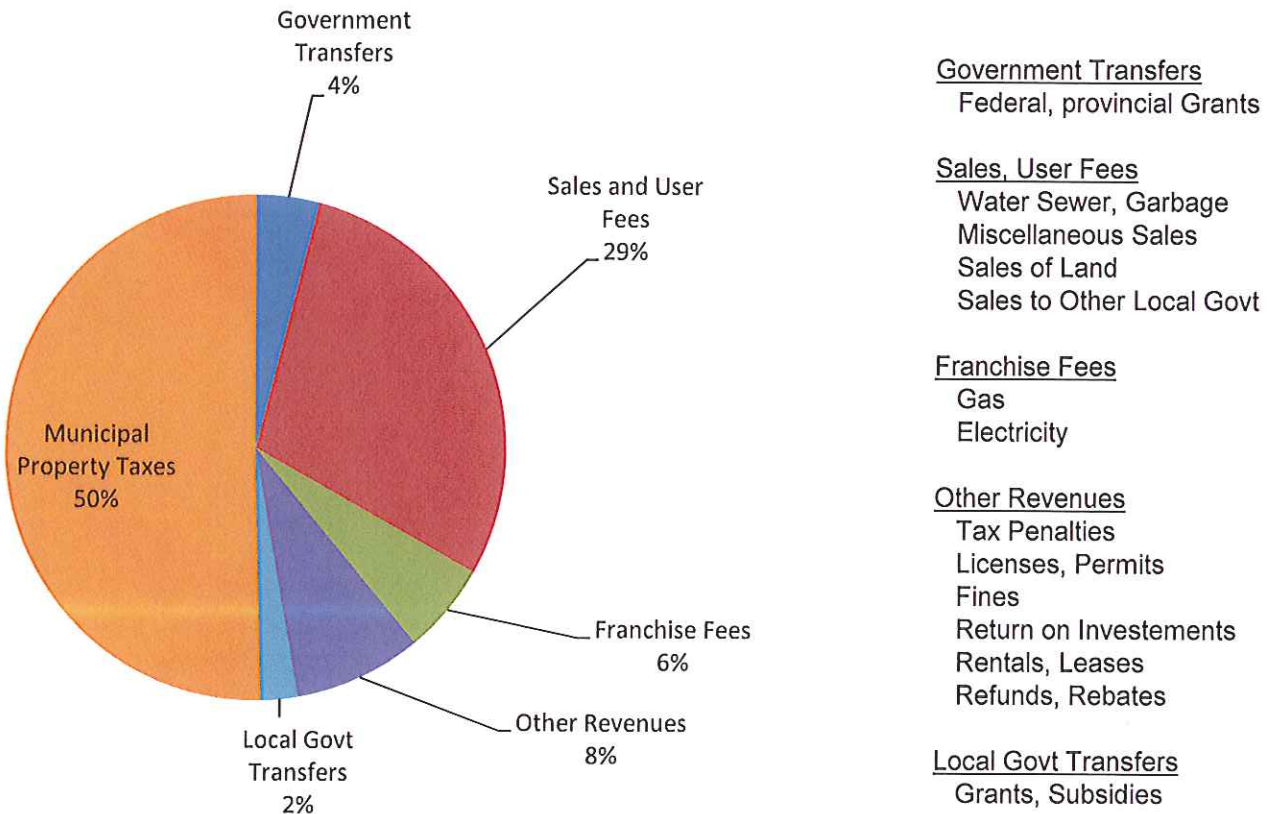
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ECKVILLE

BUDGET: Operating Summary 2011

2011 Operational Revenue

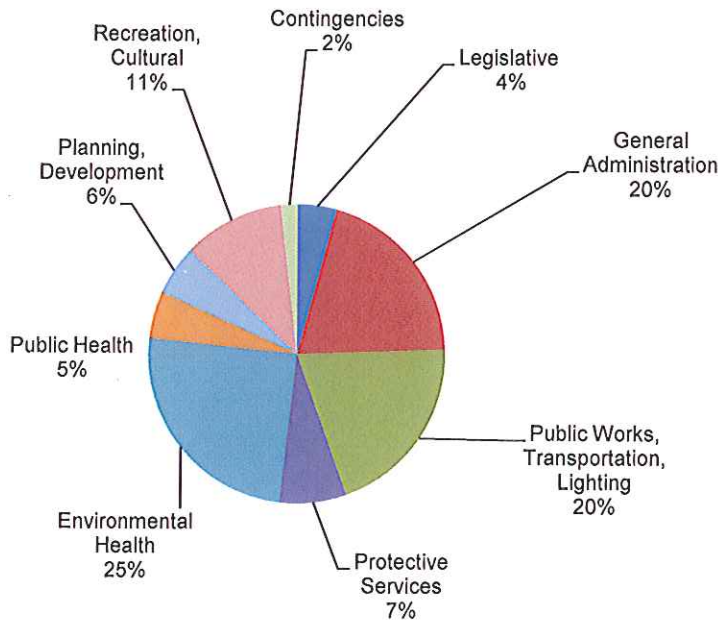
Government Transfers	\$73,432	4%
Sales and User Fees	\$536,797	29%
Franchise Fees	\$107,369	6%
Other Revenues	\$152,418	8%
Local Govt Transfers	\$43,000	2%
Total Revenues (excluding Taxes)	\$913,016	50%
Municipal Property Taxes	\$929,197	50%
Total Revenues and Municipal Taxes	<u>\$1,842,212</u>	100%



BUDGET: Operating Summary 2011

2011 Operational Expenditures

Legislative	\$77,079	4%
General Administration	\$373,575	20%
Public Works, Transportation, Lighting	\$369,408	20%
Protective Services	\$134,314	7%
Environmental Health	\$457,117	25%
Public Health	\$93,416	5%
Planning, Development	\$99,850	5%
Recreation, Cultural	\$203,061	11%
Contingencies	\$34,394	2%
Total Expenditures	<u>\$1,842,212</u>	100%



Legislative

Council Expense

General Administrative

Office Expense

Public Works, Transportation, Lighting

Streets, Sidewalks, Lighting

Storm Water Drainage

Protective Services

Fire Fighting

Disaster Services

Ambulance

Bylaw Services

Environmental Health

Water

Sewer

Garbage

Public Health

F.C.S.S.

Cemeteries

Community, Agricultural Services

Planning, Development

Planning, Development

Subdivision, Land Development

Recreation, Cultural

Recreation, Parks

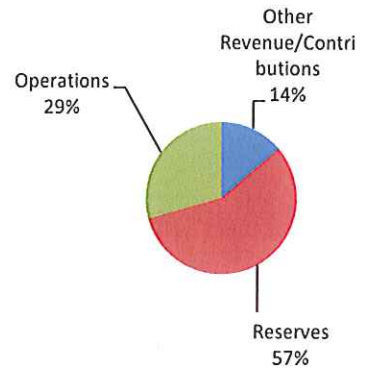
Cultural: Library, Community Center

Contingencies

BUDGET: Capital Summary 2011

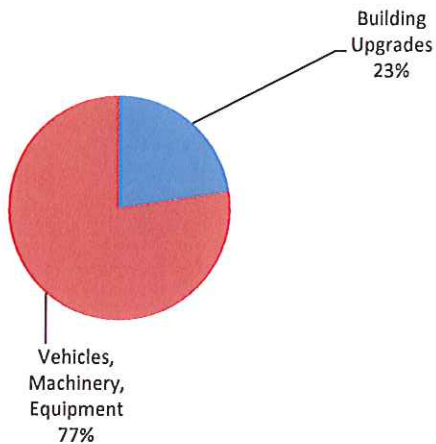
2011 Capital Revenue Sources

Other Revenue/Contributions	\$30,000	14%
Reserves	\$126,000	57%
Operations	\$65,000	29%
Total Capital Revenue Sources	\$221,000	100%



2011 Capital Expenditures

Building Upgrades	\$50,000	23%
Vehicles, Machinery, Equipment	\$171,000	77%
Total Capital Expenditures	\$221,000	100%



Building Upgrades

Community Center, Town Office

Machinery, Equipment, Vehicles

Loader Tractor

Dump Box for One Ton Truck

2011 BUDGET SUMMARY

	2010 Actuals	2010 Budget	2011 Budget
<u>REVENUES</u>			
TAXES	\$1,132,094.33	\$0.00	\$24,121.00
OTHER GEN. MUN. REV.	\$190,523.10	\$193,510.00	\$172,972.00
COUNCIL, LEGISLATIVE	\$7,596.60	\$6,000.00	\$6,000.00
GEN. ADMINISTRATION	\$6,702.68	\$5,960.00	\$5,710.00
FIRE FIGHTING	\$39,344.53	\$62,942.50	\$55,968.50
DISASTER SERVICES	\$0.00	\$0.00	\$0.00
AMBULANCE	\$8,727.00	\$0.00	\$0.00
BYLAW SERVICES	\$13,430.29	\$7,000.00	\$12,275.00
RDS, STS, LIGHTING	\$4,381.60	\$0.00	\$0.00
WATER	\$786,295.37	\$130,392.00	\$135,722.00
SANITARY SEWER	\$146,443.69	\$137,900.00	\$160,411.40
GARBAGE	\$148,979.47	\$147,175.00	\$159,075.00
F. C. S. S.	\$23,221.00	\$23,221.00	\$23,221.00
CEMETERIES	\$3,001.50	\$950.00	\$2,000.00
PLANNING, DEV.	\$46,219.00	\$0.00	\$0.00
COMMUNITY, AGRIC.	\$16,366.63	\$14,550.00	\$14,350.00
SUBD. LAND, DEV.	\$116,472.00	\$75,000.00	\$75,000.00
RECREATION, PARKS	\$57,969.61	\$52,740.00	\$56,240.00
CULTURAL: LIBRARY	\$9,693.81	\$2,600.00	\$9,950.00
OP. CONT. RESERVES	\$0.00	\$0.00	\$0.00
CAPITAL	\$0.00	\$2,198,832.00	\$0.00
TOTAL REVENUES	\$2,757,462.21	\$3,058,772.50	\$913,015.90

	2010 Actuals	2010 Budget	2011 Budget
<u>EXPENDITURES</u>			
COUNCIL, LEGISLATIVE	\$71,506.68	\$82,265.00	\$77,078.60
GEN. ADMINISTRATION	\$284,866.87	\$341,841.00	\$373,574.55
GEN. GOVT: ELECTION	\$1,041.20	\$1,650.00	\$0.00
GEN. GOVT: E911	\$0.00	\$0.00	\$0.00
FIRE FIGHTING	\$78,084.36	\$100,804.50	\$85,273.50
DISASTER SERVICES	\$17,421.11	\$1,089.00	\$2,090.00
AMBULANCE	\$0.00	\$0.00	\$0.00
BYLAW SERVICES	\$44,876.91	\$40,850.00	\$46,950.00
RDS, STS, LIGHTING	\$348,501.98	\$334,980.00	\$365,875.63
STORM DRAINAGE	\$1,789.07	\$0.00	\$3,532.00
WATER	\$172,790.07	\$130,020.00	\$123,848.02
SANITARY SEWER	\$157,829.35	\$143,445.00	\$149,587.53
GARBAGE	\$147,986.56	\$146,758.00	\$183,681.28
F. C. S. S.	\$30,421.00	\$30,421.00	\$30,421.00
CEMETERIES	\$48.12	\$45.00	\$45.00
PLANNING, DEV.	\$8,440.64	\$20,350.00	\$20,600.00
COMMUNITY, AGRIC.	\$72,293.67	\$51,280.00	\$62,950.00
SUBD. LAND, DEV.	\$16,056.08	\$93,750.00	\$79,250.00
RECREATION, PARKS	\$193,221.57	\$155,365.00	\$147,186.28
CULTURAL: LIBRARY	\$60,412.32	\$37,203.00	\$55,875.00
REQUISITIONS	\$252,027.47	\$0.00	\$0.00
OP CONT. RESERVES	\$0.00	\$25,500.00	\$34,394.00
OFFSET ACCOUNT			
CAPITAL	\$0.00	\$2,980,643.00	\$0.00
<u>TOTAL EXPENSES</u>	\$1,959,615.03	\$4,718,259.50	\$1,842,212.39
<u>NET</u>	\$797,847.18	(\$1,659,487.00)	(\$929,196.49)

2011 Property Tax Revenue, Assessment

	2010	2011	% Change
<u>Assessment</u>			
Residential subject to School Tax	\$86,839,520.00	\$87,345,760.00	0.58%
Residential not subject to School (Sr. Home)	\$612,780.00	\$619,860.00	1.16%
Residential (total for municipal purposes)	\$87,452,300.00	\$87,965,620.00	0.59%
Non-residential	\$14,132,030.00	\$15,447,560.00	9.31%
<u>Total Assessment</u>	<u>\$101,584,330.00</u>	<u>\$103,413,180.00</u>	<u>1.80%</u>
<u>Tax Revenue - Municipal Only</u>			
Residential Tax Rate	7.929	8.213	3.58%
Non-residential Tax Rate	13.043	13.384	2.61%
Residential Municipal Tax Revenue	\$693,423.29	\$722,450.27	4.19%
Non-residential Municipal Tax Revenue	\$184,327.71	\$206,746.22	12.16%
<u>Total Municipal Tax Revenue</u>	<u>\$877,751.00</u>	<u>\$929,196.49</u>	<u>5.86%</u>
<u>Seniors Foundation</u>			
Residential Tax Rate	0.046	0.068	46.70%
Non-residential Tax Rate	0.046	0.068	46.70%
Residential Tax Revenue	\$4,006.92	\$5,912.37	47.55%
Non-residential Tax Revenue	\$652.08	\$1,045.63	60.35%
<u>Total Requisition</u>	<u>\$4,659.00</u>	<u>\$6,958.00</u>	<u>49.35%</u>
<u>School Foundation</u>			
Residential Tax Rate	2.287	2.469	7.97%
Non-residential Tax Rate	3.693	3.354	-9.17%
Residential Tax Revenue	\$198,562.83	\$215,633.03	8.60%
Non-residential Tax Revenue	\$52,190.97	\$51,818.26	-0.71%
<u>Total Requisition</u>	<u>\$250,753.80</u>	<u>\$267,451.29</u>	<u>6.66%</u>
<u>Total Tax Revenue</u>			
Municipal Revenue	\$877,751.00	\$929,196.49	5.86%
Lacombe Foundation Revenue	\$4,659.00	\$6,958.00	49.35%
School Foundation Revenue	\$250,753.80	\$267,451.29	6.66%
<u>Total Tax Revenue</u>	<u>\$1,133,163.80</u>	<u>\$1,203,605.78</u>	<u>6.22%</u>
<u>Total Tax Rate</u>			
Residential Tax Rate	10.262	10.749	4.75%
Non-residential Tax Rate	16.782	16.806	0.14%

BUDGET 2011 SUMMARY

The annual budget process is one of the most important aspects of municipal government and in accordance with Sections 242 and 245 of the Municipal Government Act, Council must adopt operating and capital budgets for each calendar year.

Strategic Planning Priorities

- Strategic Plan 2011 -2013: Council participated in a planning session April 9, 2011 to continue with the development of a strategic plan. The plan will affirm the ideal vision for the future and define the business we are in. This plan will drive the goals and objectives over the next 3 years. Council and staff will continue to work on the plan and implementation process in 2011. The plan will be reviewed and updated annually to ensure that it remains consistent.
- 10 Year Capital Works Budget: a capital works budget will be prepared from the capital works plan completed by Stantec Consulting in 2010. The budget will address the long term capital and financial commitments needed to maintain existing infrastructure and construction of proposed new infrastructure.
- Old Town Area Redevelopment Plan: the planning area will include the downtown core and branch out to an area of lands surrounding the downtown core. This plan will establish long term land use and planning policies to allow the area to be developed, redeveloped and integrated to meet the Town's long term growth needs and to identify short term physical improvements for both public and private properties as part of a revitalization and improvement program for the area. The planning area presently contains a mix of residential, commercial and industrial land uses. Development of the plan will start in 2012 with a goal to complete in 2013.

Operating Budget

Revenues:

Revenues are generated from the following means:

- Property taxes and grants in lieu for municipal purposes.
- General municipal revenues include penalties and costs on taxes, electrical and gas franchise fees, return on investments, unconditional grants, and other revenue from fines and costs, licenses, permits, rentals, leases.
- User fees and charges (utility fees, sales of land, sales to other local governments, miscellaneous sales)
- Local government transfers – grants, contributions to various programs, facilities.
- Federal, provincial government transfers - grants
- Revenues drawn from Reserves (Operating and capital)
- Operating Surplus transfer.

Analysis of 2011 Revenue Changes:

Franchise fees	increased by	\$ 11,259
Drawn from Operating Reserves		
Utilities		Increase in user fees to

Expenditures:

Changes to the general operating expenditures have been mostly inflationary increases and comparisons to the 2010 budget and actual figures. There are other influences for which we have no control (i.e. solid waste requisition, by-law enforcement contract, etc.).

- **Legislative:**

The legislative function covers the expenses associated with Council activities in their capacity as a member of Council. Town Council consists of the Mayor and six Councillors. The Mayor serves on a part-time basis. Expenses include travel and subsistence, allowances, remuneration and benefits. Rates are governed as per the Council Procedures policy schedule.

- **General Administrative:**

This function encompasses costs relating to the operation of the Town Office. Services include: a communication link between the citizens of Eckville and Council, is responsible for preparing and preserving records of the official business of the Town, including bylaws, minutes of Council and Committee meetings, Council policies, the coordination of elections, plebiscites, general office expenditures involving office supplies, equipment and furnishings, repairs, utilities, telephone, advertising, hardware and software costs relating to the financial accounting, reporting, payroll, accounts payable and accounts receivable, coordinating the development of and monitoring the operating and capital budgets, legal fees, special services such as assessment and taxation, accounting and audit, insurance premiums, bank charges, rentals, leases, cancellation of uncollectable accounts.

Changes/additions:	
Assessment Services	\$2,850 increase
Diamond Software Upgrade	\$ 5,000
Additional Office Staff	0.5 FTE
Town Office Renovation	\$35,000

- **Public Works, Transportation, Lighting:**

Public Works is responsible for the management and operations of: public works machinery, equipment and vehicles and maintenance including capital equipment purchases, maintenance of streets, alleys, sidewalks, traffic control devices and signage, street cleaning, snow plowing/removal, operation and maintenance of the Town's storm sewer system.

Changes/additions:	
Dump Box for One ton truck	\$ 15,000
New loader tractor	\$156,000

- **Protective Services:**

Fire: The Fire Department depends upon dedicated volunteers for fire fighting services and has a priority to provide quality fire protection and prevention for the citizens within the Eckville Fire Department district. There are currently 20 members on the Fire Department. Through mutual

aid arrangements the department will assist other departments at incidents and in return can also call on other fire departments for assistance if the need arises. The majority of operational and capital costs are shared on a 50/50 basis with Lacombe County. The Town is a member of the Lacombe Regional Fire Services who assists the Town and Fire Department with meeting the legislated regulations and requirements, reporting, development of policies, training and budgets.

Changes/additions:

Addition of water fill lines at Emergency Services Building	\$6,657
Cord reel and wiring for trucks and batteries	\$1,013
Training and development increase	\$ 500
Dispatch increase (\$.10 per capita)	\$ 100

Bylaw Services:

- **Municipal Bylaw Enforcement:** the Town contracts with Lacombe County bylaw enforcement. Lacombe County Peace Officers assist with the investigation and enforcement of various Town bylaws.
- **Animal Control:** Alberta Animal Services is contracted to aid the Town in the regulating, restraining the running at large, licensing and impounding of dogs. They also assist with cat complaints.
- **Building Permits:** the Town contracts the services of Dransfield Inspection Services to conduct inspections in the area of building to ensure the development meets the Alberta Building Code.

Changes/additions:

Contract with Lacombe County By-Law Enforcement increased by	\$ 900
Building Inspection Services increase in fee schedule	

Emergency Management:

Emergency management (or disaster management) is the discipline of dealing with and avoiding risks. It involves preparing for disaster before it occurs, disaster response and supporting, and rebuilding after disasters have occurred. The Town has an Emergency Response Plan and the Eckville Emergency Management Agency meets on a regular basis to practice the plan and to keep it up to date. The Town is also partnering with Lacombe County and other urban municipalities within the County to develop a regional emergency response plan.

Changes/additions:

Regional ERP, other training	\$1,000
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- **Environmental Health (Utilities):**

Strategic Direction: utilities are self funded through user fees and utility rates.

Water: the Town water supply, pumping and distribution system currently provides water at adequate pressure and in sufficient quantity to satisfy the requirements for residential and commercial use as well as for fire protection. It is the goal of Council to continue to provide water that is pleasing and meets or exceeds provincial and federal water quality standards and objectives. The waterworks system consists of a groundwater supply from two deep wells, a water treatment plant with capabilities for pretreatment with potassium permanganate, iron and manganese removal using two greensand pressure filters, and disinfection. The treated

water reservoir has a volume capacity of 2273 m3. The water distribution system is 16.9 km in length and is within the Town boundaries.

Sewer: the sanitary sewer system provides service to residential, institutional, commercial and industrial customers in Eckville. A system of pipes moves sanitary wastewater to the sewage lagoon facility located a short distance northeast of the Town site. The collection of wastewater and treatment is regulated by Alberta Environment and through those regulations, the Town is producing a treated wastewater effluent that is biologically and physically safe for the environment. Components of the sanitary sewer system include a wastewater collection system (20.8 km in length) supported by two lift stations and an aerated lagoon facility. The lagoon facility consists of one anaerobic cell, one complete mix cell, one partially mix cell, two storage cells, and a seepage collection system adjacent to the south and west berms of the lagoon. Treated wastewater from the storage cells is discharged from the outfall to the Medicine River twice a year between the months of May 1 and November 1. Liquid collected from the seepage collection system may be discharged continuously to the Medicine River.

Solid Waste Management and Recycling: solid waste services include the regulation, collection and disposal of garbage, refuse and waste material. The Town does its own collection and takes the garbage to the Eckville Transfer site. The Town is a member of the Lacombe Regional Solid Waste Authority (LRSWA) who operates the transfer site and disposes of the solid waste. In 2011 LRSWA will be changing its legal status from an Authority to a Commission. The Town continues to provide recycling services to the community and works with Alberta Recycling and LRSWA on a number of programs. The most recent are paint recycling and ewaste. The Town continues to experience quite a volume of outside garbage being dumped in town and Council continues to work at finding solutions to alleviate this problem.

Changes/Additions:

Water facility upgrade: preliminary project planning	\$10,000
Lagoon De-sludging (2010 budget was used to do aerator repairs)	\$10,000
Locking Bins Modification (10 bins)	\$ 5,000
Transfer to reserves: garbage truck replacement and bins and totes	\$30,000

• **Public Health, Community Services:**

The primary role of this function is to create, supply and enhance community “wellness”. Several of the programs and facilities are operated and maintained by community organizations so the majority of the Town’s support to the various programs and facilities is through financial contributions. Eckville FCSS sponsors and/or provides funding for community programs, services and social initiatives with a focus on prevention. The Town operates and maintains the cemetery.

Changes/Additions:

Contribution to Capital (Community Center Building Upgrade)	\$15 ,000
Friendship Center – Replace windows	\$ 2,000
Contribution to Community Centre Operations increased by	\$ 5,000

• **Planning, Development, Subdivision:**

The role of planning and development is to coordinate strategic planning and land use within the Town to ensure growth and development occurs in an organized, rational manner while

maintaining and enhancing the quality of life for the residents. Planning & Development is responsible for the preparation, revision and updating of the municipal planning documents including but not limited to the Strategic Plan, Integrated Community Sustainability Plan (ICSP), the Municipal Development Plan (MDP), Inter-municipal Development Plan (IDP), Land Use By-law, Area Redevelopment plans, Capital Works Plan, updates and annexation applications. Planning and development also is comprised of and ensures that all subdivisions and developments within the Town comply with municipal and provincial planning regulations.

Changes/Additions:

Old Town Area Redevelopment Plan	\$ 6,250
Parkland Community Planning Services contract	\$ 9,000

• **Recreation, Cultural:**

The Town provides support to non-profit community clubs and organizations and the library in a variety of ways with the development of their programs, facilities, and events. The Town strives to ensure that the citizens of Eckville have opportunities for personal growth, physical fitness, environmental stewardship, community involvement, creativity, and self-expression in their leisure time. Council aims to assist with setting standards in these areas, and ensure the service delivery is of high quality, reasonably priced, and reflects the needs and interests of the community. The Town acts primarily as an opportunity facilitator rather than a supplier of direct programming and facilities operation. The Town maintains the parks, playgrounds and grounds of the sports fields.

Changes/Additions:

Eckville Community Development Assn. (Recreation Director)	\$ 2,000
Contribution to Library increased by \$1,478 for a total of	\$ 28,600

• **Other:**

Contributions and grants to local groups and organizations:

Eckville Arena (Caretaker Wages)	\$22,741
Eckville Community Center	\$ 10,000
Eckville Municipal Library	\$28,600
Eckville Fire Department	\$ 3,700
Eckville Chamber of Commerce	\$ 600
Eckford Scholarship	\$ 1,000
Melissa's Scholarship (2010 – 2014)	\$ 500
St. Paul's Presbyterian Church Food Grains Project	\$ 800
Central Alberta Amateur Rodeo Assn (Saddle Sponsorship)	\$ 1,200
Medicine River Watershed Society	\$ 500
Recreation Funding Grant Program	\$10,000

Per Capita Fees (1002 population):

Lacombe Regional Fire Services (50% only)	(\$ 2.82)	\$ 2,818
Lacombe Regional Solid Waste Authority	(\$51.54)	\$51,643
Parkland Regional Library	(\$ 6.97)	\$ 6,984

Capital Budget

The capital budget includes major projects for the town utility systems, roadways, municipal facilities/buildings and major machinery, equipment and vehicle purchases. The 2011 proposed capital programs include:

- **Projects:**

None

- **Buildings, Additions**

Town Office Renovations: front counter, flooring, painting	\$35,000
Community Center: building upgrades	\$15,000

- **Machinery, Equipment, Vehicle Purchases:**

Loader	\$156,000
Dump Box for One ton Truck	\$ 15,000

- **Transfers:**

To Reserves:	Land Development: proceeds of lot sales (excluding land)	\$ 69,742
	Waste Management: Garbage Truck Replacement, bins, totes	\$ 30,000
	General Operating	\$ 15,000
	Water	\$ 5,000
From Reserves:	Loader Tractor	\$126,000

- **Long Term Debt**

Debenture borrowing is governed by the Municipal Government and the requirements to borrow are summarized as follows:

- The expenditure must be included in the budget.
- The term of the debenture cannot exceed the life of the capital asset.
- A borrowing bylaw that authorizes the borrowing must be passed.
- The borrowing bylaw must be advertised.
- The municipality may not exceed their debt limit unless the borrowing is approved by the Minister.

Debt limits are set by the Minister of Municipal Affairs. The calculation is based on 1.5 times the municipality's revenues less capital transfers from the Province. The ability of the municipality to repay the debenture is referred to as the debt service limit and is calculated at 0.25 times the same revenue amount. These are guidelines used by Alberta Municipal Affairs to identify municipality's financial risk if more debt is incurred.

As at December 31, 2010 the Town's debt limits are:

Total debt limit	\$2,773,811
Total debt	\$ 762,549
Amount of debt limit unused	\$2,011,262
Service limit of debt	\$ 462,302
Service on debt	\$ 69,844
Amount of debt servicing limit unused	\$ 392,458

- **Debt Management:**

Long-term debt is a source of funding used to support capital project expenditures and is incurred to allow the Town to address:

- The protection of existing facility, roadway and underground capital infrastructure (i.e. replacement requirements).
- The addition of new capital infrastructure resulting from growth and/or changes in service levels (i.e. community demands).
- Emergent capital initiatives as they arise.

The incurrence of long-term debt is generally appropriate as the beneficiaries (future users) of the capital infrastructure funded by the long-term debt are responsible for the future repayment of the long-term debt. There are some key factors that should be considered:

- The Town only uses debt financing for capital projects and does not use it for operational needs.
- The ability to meet debt servicing requirements acts as the overall ceiling on capital program expansion.
- Incurring new debt must be affordable and manageable. The Town maintains current level of services before adding additional assets.
- Priority should be given to projects that enable the achievement of Council's Strategic Priorities and implementation of approved Town plans.
- Whenever possible, the Town will first attempt to fund capital projects with grants, developer contributions, or other sources.

Debt repayment is generally supported by four sources:

- Municipal Tax Supported Debt refers to debt incurred that will be repaid, together with interest, through municipal property tax levies. The establishment of annual property tax rates will be sufficient to provide for the annual debt servicing requirements.
- Utility Rate Supported Debt refers to the debt incurred for utility operations capital projects that will be repaid, together with interest, by a portion of the annual utility rates charged to utility customers. There is no impact on the municipal property tax levies.
- Local Improvement Supported Debt refers to debt incurred to support capital improvements that benefit specific properties pursuant to an approved local improvement plan. Local improvement tax levies on the benefiting properties will be sufficient to provide for the annual debt servicing requirements. There is no impact on the municipal property tax levies.
- Developer Levy Supported Debt refers to debt incurred for capital projects that are related to new development. The debt incurred is repaid, together with interest, from current and future developer levies. There is no impact on the municipal property tax levies.

- **Debenture Borrowing:**

No borrowing planned for 2011