



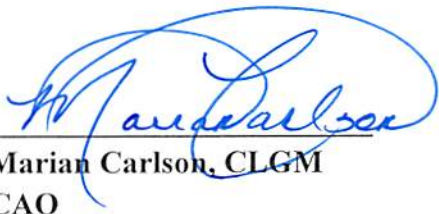
Claresholm

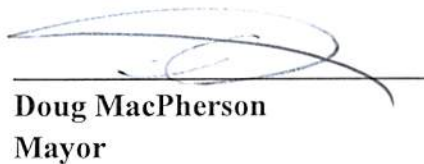
Where **Community** Takes Root

Budget Document - FINAL

2019

May 13, 2019


Marian Carlson, CLGM
CAO


Doug MacPherson
Mayor

Assessment & Taxation

What is Property Assessment?

“Property assessment is the process of assigning a dollar value to a property for taxation purposes. In Alberta property is taxed based on the *ad valorem* principle. *Ad valorem* means “according to value.” This means that the amount of tax paid is based on the value of the property.” Source: http://www.municipalaffairs.alberta.ca/1538.cfm#What_is_Property_Assessment

What is Property Tax?

“Property taxes are a primary source of revenue for municipalities. Property taxes are used to finance local programs and services, such as:

- Garbage collection
- Water and sewer services
- Road construction and maintenance
- Parks and leisure facilities
- Police and fire protection
- Seniors’ lodges
- Education

Each municipality is responsible for ensuring that each property owner pays his or her share of taxes. Property assessment is the method used to distribute the tax burden among property owners in a municipality.” Source: http://www.municipalaffairs.alberta.ca/1538.cfm#What_is_Property_Assessment

What is School Tax?

“In 1994, the Government of Alberta established the Alberta School Foundation Fund (ASFF). This fund makes certain that the education property tax is accounted for separately from general revenues.

Every year the province calculates, based on assessment value, the amount each municipality must contribute towards the public education system. Municipalities collect the education property tax and then forward it to the province for deposit into the ASFF.”

Source: <http://education.alberta.ca/admin/funding/tax/facts.aspx>

Town of Claresholm Mill Rates

Each year, Council, during its budgetary process, approves the amount of revenue required to operate the municipality. From this amount they subtract the known revenues, such as grants, licenses, permits and so on. The remainder represents the amount of money to be raised by property taxes. The amount to be raised is divided by the total assessed value of all the property in the municipality and multiplied by 1,000 to decide the tax rate also known as the “mill rate.”

Town Council continues to remain fiscally responsible and has made a concerted effort to curb spending when reasonable to do so.

The table below outlines the mill rate trends since 2014.

	2014	2015	2016	2017	2018	2019
Municipal Residential	6.5215	6.3300	6.5130	6.7050	6.7997	6.7282
Municipal Non Residential	12.1000	11.8958	12.0279	12.5841	11.5303	11.4000
Municipal Vacant Residential & Farmland	10.5000	10.5000	11.3956	14.0650	6.7997	6.7282
Municipal Seniors Self Contained Housing	6.5215	0	0	0	0	0
Annexed Residential	0	0	0	3.4000	3.4000	3.8760
Annexed Farmland	0	0	0	6.8890	6.8890	7.3650
Annexed Non-Residential	0	0	0	7.4890	7.7930	7.9690
Porcupine Hills Lodge – Residential, Non-Residential, Vac. Res. & Farmland	0.2715	0.2639	0.2767	0.2767	0.2672	0.2659
Porcupine Hills Lodge – Senior Self Contained Housing	0.2715	0	0	0	0	0
Annexed Porcupine Hills Lodge – Residential, Non-Residential, Vac. Res. & Farmland	0	0	0	0.3120	0.3030	0.2930
Education ASFF – Residential, Vacant Res. & Farmland	2.6463	2.4592	2.5485	2.5318	2.5334	2.4655
Education ASFF - Non Residential	3.6290	3.6269	3.5621	3.7897	3.4159	3.5160
Annexed Education ASFF – Res., Vac. Rec., & F.L.	0	0	0	2.4960	2.5010	2.5150
Annexed Education ASFF – Non-Residential	0	0	0	4.1220	3.7180	3.7020

Town of Claresholm Budget Comparative Statement of Operations

	2019 Budget	2018 Budget
Revenue		
Net municipal taxes (Sch 1)	3,226,288	3,162,061
User fees and sales of goods	2,595,840	2,609,665
Government transfers for operating	322,188	505,487
Investment income	70,000	60,000
Penalties and costs of taxes	126,000	161,500
Licenses and permits	99,300	51,800
Franchise and concession contracts	206,609	204,563
Rental	113,250	105,700
Other	75,650	204,600
Donations	-	144,300
Family and community support services	292,001	233,446
Total Revenue	7,127,127	7,443,122
Expenses (includes amortization)		
Legislative	113,500	108,750
Administration	1,321,232	1,303,084
Fire	275,145	326,979
Bylaw enforcement	112,475	157,847
Common and equipment pool	582,687	545,112
Roads, streets, walks and lighting	808,845	813,029
Airport	16,077	18,174
Storm sewers and drainage	280,265	252,705
Water supply and distribution	1,316,200	1,639,567
Wastewater treatment and disposal	534,437	523,995
Solid waste management	565,171	556,498
Family and community support services	314,110	254,665
Day care	38,202	38,202
Cemeteries and crematoriums	20,661	30,302
Other public health and welfare	3,000	10,000
Weed and pest control	50,145	48,501
Economic development	276,863	345,110
Subdivision land and development	208,042	182,764
Parks and recreation	1,033,039	991,753
Culture - libraries, museums and halls	379,930	388,417
Total Expenses	8,250,027	8,535,456
Deficiency of revenue over expenses before other	(1,122,901)	(1,092,333)

Other

Government transfers for capital	3,380,331	6,429,023
Surplus (deficiency)	2,257,430	5,336,690

Adjustment for Non-Cash items

Amortization expenses	1,861,047	2,122,723
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Adjustment for cash items that are not revenues and expenses (but are sources or uses of funds)

Capital expenditures	(6,800,331)	(7,687,308)
Debt proceeds	2,800,000	400,000
Debt principal repayment	(336,925)	(289,366)
8th Ave NW Promissory Note	(100,000)	(100,000)
Transfers to reserves from operations	(394,600)	(425,974)
Transfers to operations from reserves	144,878	134,750
Transfer from reserves for capital	568,500	508,485
Budget balance	-	-

Schedule 1

2019 Budget

2018 Budget

Taxation

Property taxes: Vacant residential and farmland	50,711	46,885
Property taxes: Non-residential	1,024,806	972,321
Property taxes: Linear property	108,128	104,595
Property taxes: Residential	3,224,645	3,194,653
Federal grants in lieu of taxes	6,346	5,962
Provincial grants in lieu of taxes	33,270	34,263
Local improvement taxes	12,934	15,827
	4,460,840	4,374,506
Less: Requisitions		
Alberta school foundation fund	1,121,579	1,102,791
Porcupine Hills Lodge	112,972	109,654
	3,226,288	3,162,061

DEPARTMENT
OPERATING
BUDGETS

4 Year Operating Budgetary Deficit (Surplus) Summary By Function

Excludes Amortization and Capital

OPERATING BUDGET DEFICIT (SURPLUS)	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Council	113,500	113,342	108,750	120,295	85,936
Municipal general revenue and requisitions	(3,547,764)	(3,529,560)	(3,520,297)	(3,415,555)	(3,317,658)
General administration	1,022,602	1,152,233	990,495	1,161,715	1,254,100
Fire department	191,410	120,579	135,127	88,744	74,415
Bylaw enforcement	26,308	32,875	36,991	33,513	81,378
Equipment pool	452,898	519,961	451,298	400,130	401,886
Roads and streets	539,494	563,375	499,156	592,338	391,053
Airport	7,067	5,790	9,014	1,822	4,093
Storm sewer utility	15,129	17,673	12,986	387,101	37,296
Water utility	(134,708)	(136,036)	(127,917)	(228,308)	(226,353)
Sanitary sewer utility	(214,845)	(165,663)	(174,258)	(143,956)	(120,363)
Garbage collection	0	-	299	17,076	(13,510)
Recycling	0	(0)	(5,730)	(38,051)	(23,396)
Childcare contribution	38,202	38,202	38,202	38,202	38,202
Family & Community Support Services (FCSS)	0	3,632	0	12,039	(7,880)
Cemetery	8,837	7,885	20,502	3,025	4,058
Other public health and welfare	-	-	-	-	(2,366)
Weed and pest control	22,762	13,286	21,168	14,677	19,743
Economic development	168,657	163,545	208,860	102,624	115,824
Planning and development	141,442	126,296	162,264	105,782	112,511
General recreation	31,426	32,643	56,367	95,303	65,907
Parks	101,472	111,612	98,032	89,046	97,200
Arena	130,755	186,799	143,531	125,473	161,202
Aquatic Centre	141,265	146,044	136,818	130,416	152,149
Museum	68,047	62,115	72,305	66,708	59,422
Library	227,618	216,162	215,173	203,376	197,459
OPERATIONAL NET DEFICIT (SURPLUS)	(448,425)	(197,212)	(410,866)	(36,466)	(357,690)

COUNCIL

The Council budget deals with all costs associated and incurred by Municipal Council including per diems, fees for meetings and conferences, travel reimbursements and professional development.

COUNCIL	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Wages, meetings and per diems	95,000	103,125	88,500	96,378	76,336
Travel and conventions	11,250	8,641	12,750	16,464	8,632
Education	7,000	1,577	7,000	2,557	968
Materials, supplies and operating costs	250	-	500	4,896	-
NET DEFICIT (SURPLUS) COUNCIL	113,500	113,342	108,750	120,295	85,936

Members of Council sit on various internal and external boards and committees and are compensated according to Bylaw #1589. The following table outlines the Council remuneration fees for 2018.

	2018 Remuneration Fees
Mayor – Annual	\$8,000/year
Councillors– Annual	\$5,600/year
Council Meetings	\$140/meeting attended
Per Diem Half Day or Evening (4 - 6 hours)	\$115/half day
Per Diem Full Day (6 hours or more)	\$230/full day
Per Diem Less Than 4 Hours	\$23/hour
Mileage	\$0.55/km
Meals and accommodation at cost	Upon submission of valid receipts

Variance Highlights

- Due to higher attendance of current council at meetings “Wages, meetings and per diems” budget was increased with slight decrease to “Travel and conventions”

MUNICIPAL GENERAL REVENUE AND REQUISITIONS

General Revenue is generated from Municipal Property Taxes and Grants In Lieu. Grants In Lieu are paid for property which is owned by the Provincial and Federal Governments. The grant is equal to the taxes that would have been paid if the property was not exempt from taxation. The *Municipal Government Act* defines "requisition" as any part of the amount required to be paid into the Alberta School Foundation Fund that is raised by imposing a tax rate, and any amount to be paid to a management body referred to in the *Alberta Housing Act*. The Town of Claresholm pays requisitions to the Alberta School Foundation Fund and the Porcupine Hills Lodge Foundation. This budget also includes (in "General municipal revenue") the ATCO Gas Franchise Agreement at a rate of 10% (approx. \$100K) and the Fortis Franchise Agreement at a rate of 4% (approx.. \$100K).

MUNICIPAL GENERAL REVENUE & REQUISITIONS	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Taxes	(4,408,290)	(4,323,078)	(4,318,454)	(3,165,823)	(3,110,861)
Education taxes	-	-	-	(1,087,744)	(1,092,088)
Grants in lieu	(39,616)	(40,228)	(40,225)	(43,052)	(41,558)
Taxes and grants in lieu	(4,447,906)	(4,363,306)	(4,358,679)	(4,296,619)	(4,244,507)
General municipal revenue	(334,409)	(378,698)	(374,063)	(313,330)	(276,756)
General municipal revenue	(334,409)	(378,698)	(374,063)	(313,330)	(276,756)
Home for aged - Porcupine Hills Lodge	112,972	109,653	109,654	106,651	111,517
School Foundation Program - res. & farmland	854,746	856,597	856,597	833,474	847,182
School Foundation Program - non-residential	266,833	246,194	246,194	254,270	244,907
NET DEFICIT (SURPLUS) GENERAL	(3,547,764)	(3,529,560)	(3,520,297)	(3,415,555)	(3,317,658)

Variance Highlights

- Tax revenue increase for municipal purposes is 2.13% to balance the budget.
- Drop in general municipal revenue due to no expectation of additional operational grants in 2019. 2018 budget included a \$50,000 ACP grant for Council Mediation. There was also an increased budget for interest income to offset this drop in grant revenue slightly based on increasing interest rates.

ADMINISTRATION

The Administration budget includes business licenses, general operating grants (such as Municipal Sustainability Initiative (MSI) operating grant – 2018 estimated at \$120K), rentals, internal transfers, and other miscellaneous income. Expenditures include finance, reception, utilities, communication, human resources and other general administrative costs.

ADMINISTRATION	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Business licenses	(29,300)	(29,980)	(28,800)	(26,975)	(31,200)
General administrative revenue	(163,000)	(228,780)	(158,697)	(195,636)	(165,382)
Administrative general revenue	(192,300)	(258,760)	(187,497)	(222,611)	(196,582)
Wages and benefits	651,391	595,591	587,951	551,834	498,020
Consultant fees	44,625	63,066	104,728	59,012	61,695
Materials, supplies and operating costs	323,552	334,563	319,769	344,571	271,072
Assessor	52,000	53,631	53,000	56,234	53,961
Auditor	20,400	19,500	19,500	20,150	19,350
Legal	20,000	34,501	12,000	15,864	6,232
Municipal grants	80,000	86,976	81,000	69,703	71,170
Celebrations	20,500	22,982	23,500	14,001	20,109
Tax levy cancellations and discounts	13,200	13,041	6,200	5,355	5,769
Public relations and taxi subsidy	14,500	16,349	11,500	16,384	11,683
Staff development and training	10,000	7,856	12,000	11,582	17,280
Debenture interest	-	-	-	-	-
Amortization	71,064	73,022	71,937	69,610	35,828
Administrative general expenses	1,321,232	1,321,079	1,303,084	1,234,298	1,072,170
	1,128,932	1,062,319	1,115,587	1,011,687	875,588
Operational budget adjustments					
Addback amortization	(71,064)	(73,022)	(71,937)	(69,610)	(35,828)
Transfer from reserve - operating	(10,000)	-	-	265,403	403,530
Internal charges to other departments	(78,575)	(79,465)	(79,465)	(78,075)	(77,860)
Internal transfers (expenses)	53,309	42,400	26,309	26,309	26,309
Transfer to reserve - operating	-	-	-	6,000	36,701
Transfer to reserve - capital	-	200,001	-	-	25,659
NET DEFICIT (SURPLUS) ADMINISTRATION	1,022,602	1,152,233	990,495	1,161,715	1,254,100

Variance Highlights

- Slight increase to general revenue due to expected income from the Town of Granum for providing them with accounting services.
- Budgeted slight increases in wages and benefits across the board. This is reflected in each department's budget. Wages and benefits have also been increased slightly for administration based on a budgeted short-term part-time position to aide with electronic archival of records.
- \$60,000 drop in consultant fees due to the \$50,000 budgeted in 2018 for Council Mediation that is not budgeted in 2019 and a \$10,000 drop in consulting fees for facilitation and support in creating our Intermunicipal Collaboration Framework (ICF) with the MD of Willow Creek as required by the MGA due to the processes already being partially completed.
- Materials, supplies and operating costs have increased \$8,000 due to a \$7,000 increase in computer software for electronic archival of records, a \$6,000 increase in utilities, which is partially offset by a reduction in office supplies due to more paperless processes, and a drop in telephone expenses due to updated contracts with improved pricing.
- Professional fees were increased by \$8,000 for legal expenses based on the 2018 actuals.
- Tax levy cancellations and discounts was increased \$7,000 based on expectation that council will continue to cancel or forgive taxes for the Claresholm Medical Clinic owned by the MD.
- Public relations and taxi subsidy line item has increased by \$4,000 based on historical actuals due to historical overruns in public relations.
- Staff development and training was dropped \$2,000 based on expectation of reduced training especially for the CAO. Expenses were up in 2016 and 2017 as a result of a training program the CAO was taking that has now been completed.
- Debenture interest of \$46,000 is new this year for the first payment on the \$2.8M debenture for the Multi-use Community Complex.
- Increases in internal transfer expenses are related to charging for Town utilities to get more accurate costing and recovery data for utility services. Administrative internal utility charges include Town utilities (water, sewer, garbage and recycling) for the Town administration building, the future Multi-use Community Complex, as well as all the Town owned facilities that are leased and operated by others that we do not charge Town utilities to (Community Hall, Seniors Drop-in Centre, Golf Course, Day Care, Playschool, etc.)

FIRE

The Fire budget deals with expenses related to operating the Volunteer Fire Department. The Town of Claresholm fire services are provided through the Claresholm Volunteer Fire Department in partnership with the M.D. of Willow Creek.

FIRE DEPARTMENT	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Provincial Grants	(65,069)	(78,506)	(143,575)	(6,425)	-
MD contributions	(7,000)	(6,111)	(8,000)	(12,251)	(6,883)
Non-government contribution	(5,000)	(2,682)	(7,000)	(8,218)	(10,500)
Fire department revenue	(77,069)	(87,299)	(158,575)	(26,894)	(17,383)
Wages and benefits	115,183	44,908	53,500	47,495	47,044
Equipment, fuel, etc	34,900	68,620	75,400	15,434	7,073
Training	7,500	3,948	7,500	7,304	6,520
Materials, supplies and operating expenses	32,027	29,495	33,727	38,980	31,161
Regional fire study costs	65,069	78,506	143,575	6,425	-
Amortization	20,466	24,845	13,277	13,077	14,707
Fire department expenses	275,145	250,322	326,979	128,714	106,505
	198,076	163,022	168,404	101,820	89,122
Operational budget adjustments					
Addback amortization	(20,466)	(24,845)	(13,277)	(13,077)	(14,707)
Internal Charges	3,800	2,401	-	-	-
Transfer from reserve - operating	-	(30,000)	(30,000)	-	-
Transfer to reserve - capital	10,000	10,000	10,000	-	-
NET DEFICIT (SURPLUS) FIRE DEPARTMENT	191,410	120,579	135,127	88,744	74,415

Variance Highlights

- Provincial Grants is offset by the Regional fire study costs and is the unspent grant amount remaining that is unutilized of the original grant received in 2017.
- Slight increase to MD contribution based on year over year increases.
- Significant increase in wages and benefits due to the addition of a full time fire chief.
- Significant decrease in equipment due to \$45,000 budgeted in 2018 for new breathing apparatuses that isn't budgeted for in 2019. \$11,500 budgeted in 2019 for AFFRAC radios.
- New internal charges related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs to operate the Fire Hall.

BYLAW ENFORCEMENT

The Bylaw Enforcement budget includes both bylaw and animal control activities. The Community Peace Officer program continues to focus on animal control and unsightly premises, with safety and security of residents taking a high priority. The activities will include an education component along with enforcement.

BYLAW ENFORCEMENT	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Provincial fines collected	(33,000)	(34,482)	(33,000)	(35,372)	(24,126)
Licenses and fees	(9,000)	(11,812)	(9,000)	(9,459)	(10,085)
Municipal fines	(35,500)	(22,892)	(70,500)	(37,928)	(8,817)
Workshop revenue	(5,900)	(11,389)	(4,900)	(6,000)	(800)
Bylaw enforcement revenue	(83,400)	(80,574)	(117,400)	(88,758)	(43,828)
Wages and benefits	81,208	80,883	80,891	82,083	77,447
Animal services	1,000	531	1,000	-	30,425
Legal	-	-	-	-	-
Materials, supplies and operating expenses	18,500	28,838	68,500	35,157	15,608
Professional development	7,000	1,196	2,000	3,031	1,726
Amortization	4,767	5,456	5,456	6,440	7,846
Bylaw enforcement expenses	112,475	116,905	157,847	126,712	133,052
	29,075	36,331	40,447	37,954	89,224
Operational budget adjustments					
Addback amortization	(4,767)	(5,456)	(5,456)	(6,440)	(7,846)
Transfer to reserve - capital	2,000	2,000	2,000	2,000	-
NET DEFICIT (SURPLUS) BYLAW ENFORCEMENT	26,308	32,875	36,991	33,513	81,378

Variance Highlights

- Municipal fines dropped back down to prior levels due to increased traffic violation ticket income not being realized in 2018 due to increased CPO1 presence not realized as planned. Similarly materials, supplies and operating costs were reduced for CPO1 contract fees being removed.
- Professional development budget increased from 2018 for CPO1 training required due to changes in the CPO program.

COMMON EQUIPMENT POOL

This department is responsible for general building and equipment maintenance and other general infrastructure. Equipment is then “rented” out to other departments to attempt to show a more accurate department cost.

EQUIPMENT POOL	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Rental revenue and insurance proceeds	-	-	(1,000)	(3,986)	(850)
Equipment pool revenue	-	-	(1,000)	(3,986)	(850)
Wages and benefits	191,098	216,807	189,798	188,230	174,140
Materials, supplies and operating expenses	325,800	369,253	332,500	285,885	298,596
Amortization	64,289	41,388	21,314	18,153	8,944
Equipment pool expenses	581,187	627,448	543,612	492,268	481,680
	581,187	627,448	542,612	488,283	480,830
Operational budget adjustments					
Addback amortization	(64,289)	(41,388)	(21,314)	(18,153)	(8,944)
Internal charges to other departments	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)
Internal charges from other departments	6,000	3,901	-	-	-
NET DEFICIT (SURPLUS) EQUIPMENT POOL	452,898	519,961	451,298	400,130	401,886

Variance Highlights

- New internal charges from other departments is related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs to operate the Town shop.
- No other significant variances to note.

ROADS, STREETS, WALKS & LIGHTS

This department is responsible for road maintenance including plowing, sanding, street sweeping, and curb repairs. Utility costs for street lighting is also included here.

ROADS, STREETS, WALKS, AND LIGHTS	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Local improvement charges	-	(3,770)	(915)	-	(43,327)
Roads and streets revenue	-	(3,770)	(915)	-	(43,327)
Wages and benefits	184,994	209,229	183,071	244,684	142,472
Contracted services	75,000	96,096	75,000	71,541	66,099
Engineering	2,000	1,164	2,000	1,221	1,038
Street lights	187,500	173,063	150,000	164,152	149,507
Materials, supplies and operating expenses	90,000	87,593	90,000	110,740	59,629
Amortization	269,351	271,709	312,959	327,488	326,552
Roads and streets expenses	808,845	838,854	813,029	919,826	745,297
	808,845	835,084	812,114	919,826	701,969
Operational budget adjustments					
Addback amortization	(269,351)	(271,709)	(312,959)	(327,488)	(326,552)
Transfer to reserve - capital	-	-	-	-	15,636
NET DEFICIT (SURPLUS) ROADS AND STREETS	539,494	563,375	499,156	592,338	391,053

Variance Highlights

- Local improvement charges for streets are completed.
- Increase in Street Lights is due to installation of new street lights around Town to address some priority dark areas.

AIRPORT

The Town of Claresholm owns the municipal airport. The Director of Infrastructure Services oversees the operation of the airport and submits the annual budget for Council consideration.

AIRPORT	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Facility rental	(5,000)	(2,500)	(5,000)	(9,500)	(9,010)
Airport services revenue	(5,000)	(2,500)	(5,000)	(9,500)	(9,010)
Wages and benefits	4,167	1,587	4,114	2,410	4,333
Materials, supplies and operating expenses	7,700	6,365	9,900	8,912	8,770
Amortization	4,210	4,210	4,160	4,160	4,160
Airport services expenses	16,077	12,163	18,174	15,482	17,263
	11,077	9,663	13,174	5,982	8,253
Operational budget adjustments					
Addback amortization	(4,210)	(4,210)	(4,160)	(4,160)	(4,160)
Internal charges from other departments	200	338	-	-	-
NET DEFICIT (SURPLUS) AIRPORT	7,067	5,790	9,014	1,822	4,093

Variance Highlights

- New internal charges from other departments is related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs to operate the Airport.
- No other significant variances to note.

STORM SEWER UTILITY

The storm sewer utility includes all costs related to the collection and transmission of surface water runoff and potential overland flooding and deals with the safe storage and controlled release of this water to Frog Creek to prevent flooding damage downstream.

STORM SEWER UTILITY	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Local improvement charges	(9,112)	-	(11,090)	9,667	-
Other revenue	-	(42,247)	(47,000)	-	-
Storm sewer utility revenue	(9,112)	(42,247)	(58,090)	9,667	-
Wages and benefits	16,741	15,569	16,576	11,796	22,757
Contracted services	3,000	1,211	3,000	2,775	9,329
Materials, supplies and operating expenses	4,500	893	4,500	1,266	4,664
Overland flooding	-	42,247	47,000	361,598	546
Amortization	256,024	186,193	181,629	111,261	30,544
Storm sewer utility expenses	280,265	246,112	252,705	488,695	67,840
	271,153	203,866	194,615	498,362	67,840
Operational budget adjustments					
Addback amortization	(256,024)	(186,193)	(181,629)	(111,261)	(30,544)
NET DEFICIT (SURPLUS) STORM SEWER UTILTY	15,129	17,673	12,986	387,101	37,296

Variance Highlights

- Decrease in local improvement charges from prior year as one local improvement bylaws terms have expired/completed in 2018.
- Other revenue of \$47,000 in prior year was grant revenue to cover the remaining estimated costs for the Overland Flooding \$47,000 to complete repairs to Frog Creek Drainage Ditches south of Town that were damaged in the 2014 flood. This was completed in 2018. There is no expectation of similar revenue or expenses in 2019.

WATER SUPPLY & DISTRIBUTION

The Water Supply & Distribution department is responsible for producing potable water and maintaining a water storage and distribution system capable of providing suitable water to the residents. The production and distribution adheres to the Canadian Drinking Water Standards and the standards set out in the license issued to the town by Alberta Environment.

WATER SUPPLY AND DISTRIBUTION	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Water sales	(1,435,500)	(1,142,258)	(1,391,100)	(1,115,334)	(1,087,882)
Other revenue	-	-	-	-	(1,022)
Water services revenue	(1,435,500)	(1,142,258)	(1,391,100)	(1,115,334)	(1,088,904)
Wages and benefits	390,393	277,671	312,622	291,793	307,802
Training	5,000	1,573	2,500	4,235	-
Materials, supplies and operating expenses	198,800	254,883	194,900	177,367	137,362
Engineering and legal	-	-	-	-	-
Chemical	100,000	129,900	85,000	95,482	80,170
Maintenance	83,500	70,345	85,000	83,154	96,083
Debt interest	154,161	160,230	160,951	167,121	173,258
Amortization	385,846	393,838	800,094	920,453	1,046,502
Water services expenses	1,317,700	1,288,442	1,641,067	1,739,604	1,841,179
	(117,800)	146,184	249,967	624,270	752,275
Operational budget adjustments					
Addback amortization	(385,846)	(393,838)	(800,094)	(920,453)	(1,046,502)
Services to other departments	(39,000)	(25,869)	-	-	-
Services from other departments	67,875	67,875	67,875	67,875	67,875
Transfer to reserve - capital	340,063	69,611	354,335	-	-
NET DEFICIT (SURPLUS) WATER SERVICES	(134,708)	(136,036)	(127,917)	(228,308)	(226,353)

Variance Highlights

- Revenue up \$21,000 for new contract with the MD to provide them with treated water.
- Wages and benefits increased approximately \$75,000, \$57,000 of which is for an additional .6 Full Time Equivalent (FTE) wages and benefits for a proposed 3rd utilities operator.
- Materials, supplies and operating expenses were reduced due to historical costs.
- Increased chemical budget based on increased pricing seen in 2018.
- Services to other departments is new internal charges to other departments related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs.
- Net zero budget in water utility after debt principle payment accounted for.

SANITARY SEWER TREATMENT & DISPOSAL

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

SANITARY SEWER TREATMENT AND DISPOSAL	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Local improvement charges	(3,822)	189	(3,822)	(78)	-
Service fees	(386,340)	(320,252)	(377,000)	(305,549)	(303,588)
Sanitary sewer services revenue	(390,162)	(320,063)	(380,822)	(305,627)	(303,588)
Wages and benefits	84,890	76,343	84,070	72,091	80,049
Contracted services	8,800	6,543	7,800	10,185	24,985
Materials, supplies and operating expenses	27,750	26,083	26,750	23,687	19,216
Debenture interest	33,199	24,469	25,030	27,433	30,700
Amortization	379,798	320,326	380,345	382,192	381,171
Sanitary sewer services expenses	534,437	453,765	523,995	515,588	536,121
	144,275	133,702	143,173	209,961	232,533
Operational budget adjustments					
Addback amortization	(379,798)	(320,326)	(380,345)	(382,192)	(381,171)
Services to other departments	(10,000)	(7,314)	-	-	-
Services from other departments	28,275	28,275	28,275	28,275	28,275
Transfer to reserve - capital	2,403	-	34,639	-	-
NET DEFICIT (SURPLUS) SANITARY SEWER SERVICES	(214,845)	(165,663)	(174,258)	(143,956)	(120,363)

Variance Highlights

- \$9,000 increase in revenue for new contract with MD to provide sanitary sewer services to some of their residents, as well as provide sewer flushing services to their infrastructure.
- Increase contingency for contracted services related to the sewage lagoons.
- Increase in debenture interest due to new \$400K debenture for sewer main built in 2018.
- Services to other departments is new internal charges to other departments related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs.
- Net zero budget in sewer utilities after debt principle payments accounted for.

SOLID WASTE MANAGEMENT

The Solid Waste Management function provides weekly curbside waste collection services through the Infrastructure Services department. Claresholm is one of five member municipalities who belong to the Willow Creek Regional Waste Management Services Commission, which is the body that manages the regional landfill.

SOLID WASTE MANAGEMENT	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Garbage collection fees	(413,500)	(429,275)	(413,500)	(422,053)	(414,603)
Solid waste revenue	(413,500)	(429,275)	(413,500)	(422,053)	(414,603)
Wages and benefits	148,068	177,410	159,994	179,603	162,386
Landfill fees	125,000	121,262	125,000	122,027	120,321
Landfill contract	41,580	41,580	41,580	39,835	39,835
Landfill closure	4,000	3,941	4,000	25,627	12,302
Materials, supplies and operating expenses	36,000	30,426	27,500	26,313	20,524
Amortization	37,086	52,980	29,579	35,535	42,692
Solid waste expenses	391,734	427,600	387,653	428,940	398,060
	(21,766)	(1,675)	(25,847)	6,887	(16,543)
Operational budget adjustments					
Addback amortization	(37,086)	(52,980)	(29,579)	(35,535)	(42,692)
Services to other departments	(14,000)	(10,284)	-	-	-
Services from other departments	45,725	45,725	45,725	45,725	45,725
Transfer to reserve - capital	27,127	19,215	10,000	-	-
NET DEFICIT (SURPLUS) SOLID WASTE MANAGEMENT	0	-	299	17,076	(13,510)

Variance Highlights

- Materials, supplies and operating costs increase due to rising fuel rates as well as an additional \$5,000 budgeted for garbage receptacles along Town pathways.
- Landfill fees and contract have currently been estimated as a 0% increase based on rates normally only increasing every few years historically, and rates increased in 2018.
- Services to other departments is new internal charges to other departments related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs.

RECYCLING

The Recycling department provides weekly curbside recycling pickup for residential properties and recycling drop off services for non-residential properties through the Infrastructure Services department. Claresholm also has a contract with the Town of Stavelly to accept and recycle their cardboard.

RECYCLING	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Recycling service fees	(158,500)	(158,244)	(158,500)	(159,211)	(153,903)
Commodity revenue	(5,000)	(5,232)	(15,000)	(30,856)	(14,181)
Recycling revenue	(163,500)	(163,476)	(173,500)	(190,066)	(168,084)
Wages and benefits	142,493	136,792	141,270	136,671	129,890
Shipping costs	4,500	4,560	5,000	4,140	4,140
Materials, supplies and operating expenses	16,000	21,678	11,500	11,204	10,658
Amortization	10,444	13,102	11,076	13,500	16,521
Recycling expenses	173,437	176,132	168,845	165,515	161,209
	9,937	12,656	(4,655)	(24,551)	(6,875)
Operational budget adjustments					
Addback amortization	(10,444)	(13,102)	(11,076)	(13,500)	(16,521)
Services to other departments	(1,500)	(1,115)	-	-	-
Transfer to reserve - capital	2,007	1,562	10,000	-	-
NET DEFICIT (SURPLUS) RECYCLING	0	(0)	(5,730)	(38,051)	(23,396)

Variance Highlights

- \$10,000 drop in commodity revenue due to significant decreases seen in price for cardboard.
- Slight decrease in shipping costs due to shipping paper compacted rather than loose in cages. This results in fewer shipments.
- Operating expenses have been increased \$4,000 for rental of compactor.
- Services to other departments is new internal charges to other departments related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs.

FAMILY & COMMUNITY SUPPORT SERVICES (FCSS)

FCSS is an 80/20 funding partnership between the Government of Alberta and the Municipality. The Town of Claresholm operates a regional program in partnership with the M.D. of Willow Creek. FCSS designs and delivers social programs that are preventative in nature to promote and enhance well-being among individuals, families and communities. The FCSS program receives its mandate from the FCSS Act and Regulations, however, the FCSS Board determines the priority programs to be offered within the community.

FAMILY & COMMUNITY SUPPORT SERVICES (FCSS)	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Provincial funding	(105,235)	(105,235)	(105,235)	(105,235)	(105,235)
MD of Willow Creek	(47,124)	(47,124)	(47,124)	(47,124)	(46,338)
Alberta Health Services (AHS)	(28,290)	(28,151)	(27,735)	(27,619)	(27,781)
Child & Family Services Alberta (CFA)	(35,352)	(35,352)	(35,352)	(35,352)	(35,352)
Other income	(76,000)	(4,763)	(18,000)	(9,042)	(14,330)
FCSS Revenue	(292,001)	(220,624)	(233,446)	(224,372)	(229,036)
Wages and benefits	170,287	159,990	162,991	141,799	158,071
Professional development	3,500	2,394	3,500	4,737	3,317
Materials, supplies and operating expenses	46,848	50,090	58,474	72,834	52,792
Community grants	89,875	29,500	26,200	35,950	26,200
Accounting and legal	3,600	3,500	3,500	3,700	3,600
General FCSS expenses	314,110	245,475	254,665	259,019	243,981
	22,109	24,851	21,219	34,648	14,944
Operational budget adjustments					
Town of Claresholm Contribution	(26,309)	(26,309)	(26,309)	(26,309)	(26,309)
Admin Allocation	4,200	5,090	5,090	3,700	3,485
NET DEFICIT (SURPLUS) FCSS	0	3,632	0	12,039	(7,880)

Variance Highlights

- Significant increase in other income with offsetting increase in community grants due to a new agreement for Claresholm to administer Granum's FCSS funds.
- Decreases to materials, supplies and operating expenses as well as community grants and admin allocation is due to program cuts to balance the budget.

DAY CARE CONTRIBUTION

The Day Care program is run by a non-profit board who receives a portion of their funding from the Town of Claresholm.

DAYCARE CONTRIBUTION	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Municipal contribution to daycare	38,202	38,202	38,202	38,202	38,202
NET DEFICIT (SURPLUS) DAYCARE CONTRIBUTION	38,202	38,202	38,202	38,202	38,202

Variance Highlights

- No changes to highlight.

CEMETERY

The Cemetery is owned and operated by the Town of Claresholm. The maintenance is provided through the Infrastructure Services department and the Office staff oversees the administrative function.

CEMETERY	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Cemetery Fees	(14,500)	(15,086)	(14,300)	(13,604)	(14,450)
Local government grants	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Cemetery revenue	(17,500)	(18,086)	(17,300)	(16,604)	(17,450)
Wages and benefits	17,837	18,327	29,302	16,032	18,434
Materials, supplies and operating expenses	1,000	144	1,000	1,097	575
Cemetery expenses	18,837	18,471	30,302	17,129	19,008
	1,337	385	13,002	525	1,558
Operational budget adjustments					
Services from other departments	2,500	2,500	2,500	2,500	2,500
Transfer to reserve - capital	5,000	5,000	5,000	-	-
NET DEFICIT (SURPLUS) CEMETERY	8,837	7,885	20,502	3,025	4,058

Variance Highlights

- Reduced allocation of seasonal staff to cemetery wages based on historical actuals.

PHYSICIAN RECRUITMENT

The Physician Recruitment program is designed to provide incentives to recruit and retain Physicians in the community. This is a program carried out in partnership with Granum, Stavely, and the MD of Willow Creek. This program was used to attract five of the six Doctors we currently have operating in Claresholm.

PHYSICIAN RECRUITMENT	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Local government contributions	-	-	-	-	(4,500)
Physician recruitment revenue	-	-	-	-	(4,500)
Physician recruitment	3,000	9,969	10,000	28,400	32,134
Physician recruitment expenses	3,000	9,969	10,000	28,400	32,134
	3,000	9,969	10,000	28,400	27,634
Operational budget adjustments					
Town of Claresholm Contribution	-	-	-	-	(30,000)
Transfer from reserve - operations	(3,000)	(9,969)	(10,000)	(28,400)	-
NET DEFICIT (SURPLUS) PHYSICIAN RECRUITMENT	-	-	-	-	(2,366)

Variance Highlights

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

WEEDS & PESTS

The majority of the allocation within the Weeds & Pests budget deals with weed and pest control in parks throughout the Town. The Parks department has trained staff members who provide weed control within the parks.

WEED AND PEST CONTROL	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Wages and benefits	7,262	5,043	7,168	6,760	7,634
Chemical and materials	15,500	8,243	14,000	7,917	12,108
Amortization	27,383	27,383	27,333	27,333	27,333
	50,145	40,669	48,501	42,010	47,076
Operational budget adjustments					
Addback amortization	(27,383)	(27,383)	(27,333)	(27,333)	(27,333)
NET DEFICIT (SURPLUS) WEED AND PEST CONTROL	22,762	13,286	21,168	14,677	19,743

Variance Highlights

- Increase to chemical and materials due to increased costs for chemical application seen in 2018.
- No other significant changes to highlight.

ECONOMIC DEVELOPMENT

The Economic Development department is responsible for maintaining the Business Growth & Development Centre, business retention, investment attraction and municipal marketing efforts. This department is guided by the Municipal Strategic Plan and the Economic Development Committee and primarily implemented by the Economic Development Officer.

ECONOMIC DEVELOPMENT	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Grants and contributions	(46,328)	(63,458)	(91,500)	(28,072)	(50)
Economic development revenue	(46,328)	(63,458)	(91,500)	(28,072)	(50)
Wages and benefits	94,865	80,346	80,710	76,121	59,841
Materials, supplies and operating expenses	181,999	158,528	264,400	96,575	44,033
Economic development expenses	276,863	238,874	345,110	172,696	103,874
	230,535	175,416	253,610	144,624	103,824
Operational budget adjustments					
Transfer from reserve - operations	(61,878)	(11,872)	(44,750)	(42,000)	-
Transfer to reserve - operations	-	-	-	-	12,000
NET DEFICIT (SURPLUS) ECONOMIC DEVELOPMENT	168,657	163,545	208,860	102,624	115,824

Variance Highlights

- 2018 budgeted revenue includes 87,500 CARES grant which is not expected again in 2019. 2019 revenue includes \$7,000 in grants, and \$10,000 in Business Conference Sponsorships and Partnership with the Claresholm Chamber of Commerce.
- Increase in wages for a summer student position.
- Materials, supplies and operating expenses have dropped due to the industrial land development project on the annexed land that was completed in 2018. No similar project is expected in 2019.

LAND PLANNING & DEVELOPMENT

The Development Officer provides development services to the municipality and works with the Municipal Subdivision and Development Authority. The planning advice and services are contracted through membership in the Oldman River Regional Services Commission. Building code, gas and plumbing and electrical inspections are currently being provided through a contract with Superior Safety Codes.

LAND PLANNING AND DEVELOPMENT	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Permits	(64,000)	(69,333)	(17,000)	(20,136)	(24,942)
Planning and development fees	(2,600)	(6,010)	(3,500)	(9,389)	(2,945)
Planning and development revenue	(66,600)	(75,343)	(20,500)	(29,524)	(27,887)
Wages and benefits	83,917	71,440	71,139	72,803	82,919
ORRSC membership	53,000	51,938	57,500	51,069	55,663
Legal and professional services	65,125	61,082	25,625	11,435	1,116
Materials, supplies and operating expenses	6,000	17,179	28,500	-	700
Planning and development expenses	208,042	201,638	182,764	135,306	140,398
NET DEFICIT (SURPLUS) PLANNING & DEVELOPMENT	141,442	126,296	162,264	105,782	112,511

Variance Highlights

- Significant increase to permits revenue as well as legal and professional fees due to correcting the accounting treatment of building permits. Previously only the net income from building permits processed by Superior Safety Codes was recorded in permit revenue. This has been corrected to record the gross revenue collected for such permits and record the operational cost to contract this work out to Superior Safety Codes.
- There was also an offsetting decrease to legal and professional services due to the MDP update that was completed in 2018 that has no similar budgeted expense in 2019, resulting in 10K reduction.
- Materials, supplies and operating expenses decreased approximately \$22,500 due to road plan project that was budgeted for and completed in 2018 with no similar project budgeted in 2019.

GENERAL RECREATION

The general recreation budget deals with general recreational programming, such as the Southern Alberta Summer Games as well as overarching expenditures such as wages and benefits for the recreation manager. It also includes costs related to the Golf Course include interest expenses on debt related to the Golf Course and the Golf Course Management Fee the Town pays.

GENERAL RECREATION	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Local government grants	(50,000)	(50,000)	(25,000)	(25,000)	(25,000)
Summer Games	(9,000)	(9,475)	(4,600)	(4,850)	-
General recreation revenue	(59,000)	(59,475)	(29,600)	(29,850)	(25,000)
Golf course management	55,000	55,000	55,000	50,000	50,000
Debenture interest	6,670	8,871	8,993	11,164	13,386
Wages and benefits	69,256	69,078	66,974	62,018	27,521
Programming expenses	9,500	9,168	5,000	1,971	-
General recreation expenses	140,426	142,118	135,967	125,153	90,907
	81,426	82,643	106,367	95,303	65,907
Operational budget adjustments					
Transfer from reserve - operations	(50,000)	(50,000)	(50,000)	-	-
NET DEFICIT (SURPLUS) GENERAL RECREATION	31,426	32,643	56,367	95,303	65,907

Variance Highlights

- Increase in MD grant as per 2018 actual.
- Debenture interest decreases year over year as debt is repaid.
- Increase in programming expense and Summer Games revenue to correct accounting treatment of transactions to record total revenue brought in, including registrations, and full expenses, instead of netting the registration revenue against expenses. Apparent \$2,500 net income on Summer Games is to cover wage and benefit expenses for Town employee time spent on this program.

PARKS

The parks budget includes maintenance of the Town's parks as well as the fees and costs related to the Town's campground.

PARKS	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Campground fees	(65,000)	(56,343)	(64,000)	(62,939)	(47,779)
Parks grants and other funding	(7,350)	(825)	-	(275)	(2,850)
Parks revenue	(72,350)	(57,168)	(64,000)	(63,214)	(50,629)
Wages and benefits	103,222	104,086	110,032	99,419	95,286
Materials, supplies and operating expenses	55,600	49,828	52,000	52,841	27,543
Amortization	206,124	195,246	160,117	158,170	147,644
Parks expenses	364,946	349,160	322,149	310,430	270,472
	292,596	291,992	258,149	247,216	219,843
Operational budget adjustments					
Addback amortization	(206,124)	(195,246)	(160,117)	(158,170)	(147,644)
Services to other departments	15,000	14,866	-	-	-
Transfer to reserve - capital	-	-	-	-	25,000
NET DEFICIT (SURPLUS) PARKS	101,472	111,612	98,032	89,046	97,200

Variance Highlights

- \$4,000 decrease to campground fees based on decreased revenue realized in 2018 from prior years.
- New internal charges from other departments is related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs to operate the campground and parks.

ARENA

The Arena operates an ice area during the winter and is also used for lacrosse and other rentals during the summer. The main users of the Arena are the Claresholm Minor Hockey Association and the Figure Skating Club.

ARENA	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Minor hockey	(30,000)	(30,336)	(30,000)	(32,416)	(34,168)
Figure skating	(9,000)	(7,400)	(9,000)	(8,261)	(10,076)
Other rentals	(24,750)	(23,453)	(19,000)	(23,138)	(19,381)
Advertising	(6,000)	(11,550)	(4,000)	(5,193)	(3,825)
Arena revenue	(69,750)	(72,740)	(62,000)	(69,008)	(67,450)
Wages and benefits	112,755	138,194	111,331	120,912	102,442
Materials, supplies and operating expenses	75,750	117,883	94,200	73,569	86,973
Amortization	55,635	48,767	37,457	36,059	34,695
Arena expenses	244,140	304,843	242,988	230,540	224,109
	174,390	232,103	180,988	161,532	156,659
Operational budget adjustments					
Addback amortization	(55,635)	(48,767)	(37,457)	(36,059)	(34,695)
Services to other departments	6,000	3,462	-	-	-
Transfer to reserve - capital	6,000	-	-	-	39,238
NET DEFICIT (SURPLUS) ARENA	130,755	186,799	143,531	125,473	161,202

Variance Highlights

- Other rentals were increased due to additional out of Town ice rentals expected.
- Advertising revenue increased based on 2018 actuals.
- Materials, supplies and operating expenses were decreased \$15,000 as there is no compressor rebuild in 2019. Also decreased Arena utilities slightly.
- New internal charges from other departments is related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs to operate the arena.

AQUATIC CENTRE

The Aquatic Centre is owned by Alberta Health Services and shares the facility with the Town for the Town residents use and benefit. The Town operates the facility covering some of the maintenance costs, lifeguards, and programming expenses.

AQUATIC CENTRE	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Lessons	(55,000)	(56,300)	(60,375)	(66,012)	(66,092)
Gate admission	(42,000)	(36,929)	(46,440)	(42,485)	(50,048)
Rentals	(18,000)	(20,810)	(18,000)	(18,801)	(19,953)
Other funding	(10,000)	(9,620)	(12,000)	(25,349)	(4,000)
Aquatic Centre revenue	(125,000)	(123,659)	(136,815)	(152,647)	(140,093)
Wages and benefits	227,865	233,709	228,333	239,639	261,091
Materials, supplies and operating expenses	38,400	35,993	45,300	43,425	31,152
Amortization	17,262	18,574	17,016	17,745	18,656
Aquatic Centre expenses	283,527	288,277	290,649	300,808	310,899
	158,527	164,617	153,834	148,161	170,806
Operational budget adjustments					
Addback amortization	(17,262)	(18,574)	(17,016)	(17,745)	(18,656)
NET DEFICIT (SURPLUS) AQUATIC CENTRE	141,265	146,044	136,818	130,416	152,149

Variance Highlights

- Decreases in revenue across the board is due to decreased usage seen in 2018.
- Decrease in materials, supplies and operating expenses is primarily a result in a decrease in the expected purchases for resale materials based on 2018 actuals, as well as a decrease in telephone expenses due to new contract with improved pricing.

MUSEUM

The Museum Board oversees the operation of the Museum in cooperation with the Museum Executive Director and administrative staff and provides recommendations to Council on the budget. The Museum budget includes the operations of two buildings, the Historic CPR Train Station and Museum Exhibit Hall. The Visitor Information Centre operates out of the Historic CPR Train Station. Both are open to the public from May to early October, plus some off season special events.

MUSEUM	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Sales	(1,500)	(1,532)	(550)	(475)	(1,899)
Donations	(4,000)	(5,463)	(3,500)	(6,947)	(13,162)
Grants	(15,791)	(37,379)	(47,915)	(48,208)	(39,093)
Museum revenue	(21,291)	(44,374)	(51,965)	(55,630)	(54,154)
Wages and benefits	73,998	62,052	79,250	81,563	72,224
Materials, supplies and operating expenses	30,340	42,141	43,020	38,986	38,264
Professional development	2,000	226	2,000	1,789	3,088
Amortization	23,781	23,781	23,381	22,972	23,683
Museum expenses	130,119	128,201	147,651	145,310	137,259
	108,828	83,827	95,686	89,681	83,104
Operational budget adjustments					
Addback amortization	(23,781)	(23,781)	(23,381)	(22,972)	(23,683)
Services to other departments	3,000	2,069	-	-	-
Transfer from reserve - operations	(20,000)	-	-	-	-
NET DEFICIT (SURPLUS) MUSEUM	68,047	62,115	72,305	66,708	59,422

Variance Highlights

- Increases in sales and donations due to actuals seen in 2018. This is related in large part to the significant increase in bus tours seen in 2018 due to providing coffee and treats to the bus tours.
- Decrease in museum grant revenue is due to no AMA Operational Staffing Grant, fewer summer student grants expected and less project grant revenue expected.
- Wages & benefits for the museum have dropped due to reducing summer staffing by one position.
- Materials, supplies and operating expense decreased due primarily to few projects planned as well as reduction in telephone expenses due to new contract with improved pricing
- New internal charges from other departments is related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs to operate the Museum.

LIBRARY

The local Library Board oversees the activities and budget requests. The Municipality is a member of the Chinook Arch Regional Library system which is a network of independent, cooperating libraries in the southwestern corner of Alberta. Chinook Arch provides training, consulting, IT support and centralized purchasing, cataloguing, processing, and delivery services.

LIBRARY	Budget 2019	Actual 2018 (Nov 30)	Budget 2018	Actual 2017	Actual 2016
Grant	193,840	185,035	185,500	174,740	169,650
Chinook Arch membership	30,278	29,673	29,673	28,636	27,809
Amortization	25,693	25,693	25,593	25,593	25,593
	249,811	240,402	240,766	228,969	223,052
Operational budget adjustments					
Addback amortization	(25,693)	(25,693)	(25,593)	(25,593)	(25,593)
Services to other departments	3,500	1,454	-	-	-
NET DEFICIT (SURPLUS) LIBRARY	227,618	216,162	215,173	203,376	197,459

Variance Highlights

- Local library operational requisition includes a 2.8% increase in operational grant funding plus \$8,840 capital grant funding to help fund a CFEP grant project for flooring replacement and for hot water tank replacements.
- New internal charges from other departments is related to charging for Town utilities (water, sewer, garbage and recycling) to get more accurate data for costs to operate the Library.

DEPARTMENT
CAPITAL
BUDGETS

Funding Sources for Capital Projects

Provincial and Federal grants are available each year to assist the municipality to fund major infrastructure projects. The Council has additional options to consider such as reserves, tax or utility funding. The following is a brief explanation of capital project funding source options.

Federal Gas Tax Fund (FGT)

Each year, the federal FGT assists municipalities by providing funding for local infrastructure projects. Funding is provided to the Province, who in turn flows this funding to the municipality. This program has been legislated as a permanent source of Federal infrastructure funding for municipalities. The program is broad-based and allows municipalities to use the funding toward a wide range of projects to meet local priorities.

Municipal Sustainability Initiative (MSI)

Municipalities in Alberta are eligible for funding under the **MSI** program based on the terms set out in long-term funding agreements with the Province. Municipalities determine projects and activities to be funded based on local priorities within the general criteria set out in the program guidelines and are encouraged to take a long-term approach to planning for capital projects.

Alberta Municipal Water/Wastewater Partnership (AMWWP)

The **AMWWP** is a competitive grant program that provides cost-shared funding to eligible municipalities to assist in the construction of municipal water supply and treatment and wastewater treatment and disposal facilities. Funding is provided for the construction of high-priority water supply and treatment and wastewater treatment and disposal facilities. Water distribution and/or sewage collection systems are not eligible for assistance.

Alberta Historic Resources Conservation Grant

Historic Resource Conservation grants provide project funding for conservation of Alberta's historic places and can include restoration, architectural and/or engineering services, studies reports or plans associated with the conservation of the historic place. Matching grants are awarded up to 50% of eligible costs. Conservation includes actions or processes that safeguard character-defining elements of a historic place to retain the heritage value and extend physical life. This may involve one or more conservation treatments—preservation, rehabilitation or restoration. The maximum matching grants per application **per year** are as follows: Provincial Historic Resources – \$100,000; Municipal Historic Resources – \$50,000; Local (non-designated) Historic Resources – one-time grant of \$5,000.

Alberta Community Resilience Program (ACRP)

The **ACRP** is a multi-year provincial grant program supporting the development of long-term resilience to flood and drought events, while supporting integrated planning and healthy,

functioning watersheds. These grants will support the design and construction of projects that enhance or enable the protection of critical infrastructure from flooding and drought events, and help ensure public safety is protected.

Community Facility Enhancement Program (CFEP)

The **CFEP** is a competitive grant program that assists with foster the unique characteristics of Alberta's many communities. The aim of the program is to reinvest revenues generated from provincial lotteries into communities, empower local citizens and community organizations to work together and to respond to local needs. The maximum amount per application (one facility) is \$125,000 per fiscal year.

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

Alberta Recycling – Municipal Demonstration Grant Program

The grant program offers up to \$30,000 per applicant to purchase recycled tire products for public projects such as parks, arenas, walking trails, and recreational facilities etc.

Reserves/Restricted Surplus

As a means of solid financial planning, Council has created a number of special reserve funds to address both future operational and especially, capital resource needs. These funds address new acquisition and replacement, but have general restrictions on use. Through the budget process, the Town will designate funds that have been internally restricted to finance those projects for which the funds have been ear-marked.

Utility Funded

Revenue generated through utility rates is intended to fully fund operational costs including amortization. As the utilities become closer to full-cost recovery, amounts generated to fund amortization can be used to fund capital projects. If there is no required capital replacement for a utility in any given year, the amortization amount may be reserved for future capital projects.

The following table summarizes the anticipated funding sources for the capital projects for the upcoming year.

FUNDING SOURCES FOR THE YEAR	
Alberta Community Resilience Program Grant (ACRP)	(1,754,898.00)
Municipal Sustainability Grant (MSI)	(981,813.00)
Community Facility Enhancement Program (CFEP)	(427,120.00)
Federal Gas Tax Fund (FGTF)	(132,000.00)
Enabling Accessibility Fund Canada	(84,500.00)
<i>Total Government Transfers for Capital</i>	(3,380,331.00)
Transfers from reserves	(568,500.00)
Proceeds from long-term debt	(2,800,000.00)
Community contributions and donations	-
Local government contributions	-
Proceeds on sale or trade-in of vehicles and equipment	(40,000.00)
Tax funded	(11,500.00)
TOTAL FUNDING	<u>(6,800,331.00)</u>

Capital Summary Budget

ENGINEERING STRUCTURES PROJECTS	Funding	Expenditure
Municipal Stormwater System Upgrade - Phase 1 (carryforward from 2017/18 budgets)		560,000
<i>Funding: ACRP Grant</i>	(392,000)	
<i>Funding: MSI Grant</i>	(168,000)	
Municipal Stormwater System Upgrade - Phase 2		1,514,331
<i>Funding: ACRP Grant</i>	(1,362,898)	
<i>Funding: MSI Grant</i>	(151,433)	
Pavement Overlay - 100 block of 55th Ave W, 400 & 500 blocks of 49th Ave W (including sewer replacement), 5300 block of 2A Street E		470,000
<i>Funding: MSI Grant</i>	(320,000)	
<i>Funding: Water & sewer capital reserve</i>	(150,000)	
Walking Paths		150,000
<i>Funding: CFEP Grant</i>	(75,000)	
<i>Funding: FGTF Grant</i>	(75,000)	
ENGINEERING STRUCTURES TOTAL		2,694,331
VEHICLE PURCHASES & PROJECTS		
Fleet Repacements - Gravel Truck		100,000
<i>Funding: MSI Grant</i>	(100,000)	
Fleet Replacement - 4X4 Pickup		40,000
<i>Funding: MSI Grant</i>	(40,000)	
Peace Officer Vehicle Upgrades		10,500
<i>Funding: Bylaw Vehicle Capital Reserve</i>	(10,500)	
VEHICLE TOTAL		150,500
BUILDINGS PROJECTS		
Multi-use Community Complex		3,789,000
<i>Funding: Debenture</i>	(2,800,000)	
<i>Funding: Multi-use Community Building Reserve</i>	(170,000)	
<i>Funding: General Capital Reserve</i>	(180,000)	
<i>Funding: Enabling Accessibility Fund Grant</i>	(84,500)	
<i>Funding: CFEP Grant</i>	(352,120)	
<i>Funding: MSI Grant</i>	(202,380)	
Columbarium (Cemetery)		30,000
<i>Funding: General Capital Reserve</i>	(30,000)	
BUILDINGS TOTAL		3,819,000

MACHINERY & EQUIPMENT PURCHASES		
ITRON Water Meter Mobile Data Collection Upgrade		28,000
<i>Funding: Capital Water and Sewer Reserve</i>	<i>(28,000)</i>	
Z335 Zero Turn Mower		4,000
<i>Funding: FGTF Grant</i>	<i>(4,000)</i>	
1445 Lawn Mower		53,000
<i>Funding: FGTF Grant</i>	<i>(53,000)</i>	
Bobcat Replacement		45,000
<i>Funding: Trade-in</i>	<i>(40,000)</i>	
<i>Funding: Tax funded</i>	<i>(5,000)</i>	
Snowblower Attachment for Bobcat		6,500
<i>Funding: Tax funded</i>	<i>(6,500)</i>	
MACHINERY & EQUIPMENT TOTAL		136,500

ENGINEERED STRUCTURES

Carryforward Capital Project from 2016/2017	
Project Name	Phase 1 – Storm Water Drainage Improvements
Anticipated Start	2016
Project Description	Continuation of Phase 1 of Storm Management Plan including Storm Water Management Facility, upgrade of 8 th Street Ditch and upgrades to Golf Course Ditch/Ponds
Remaining Cost	\$560,000
Funding Sources	ACRP and MSI Grants
Rationale for need	Try to prevent flooding reoccurrence to homes in Town.
Impact on future operating costs	More maintenance on new apparatuses will be required.
Implications of deferring this project	If nothing is done to address the problems outlined in the Storm water management Plan, we may see re-occurrences of flooding in Town.

2019 Capital Project	
Project Name	Phase 2 Storm water management plan
Anticipated Start	2019
Project Description	Centennial Park, main outfall upgrade
Project Cost	\$1,514,331
Funding Sources	ACRP and MSI Grants
Rationale for need	As recommended in Town's Storm Water Management plan.
Impact on future operating costs	No more maintenance is anticipated than what currently is the Town's practice.
Implications of deferring this project	Repeat of 2014 flood damages.

2019 Capital Project	
Project Name	Sewer Trunk Replacement & Pavement Overlay
Anticipated Start	2019
Project Description	Pavement overlay to damaged roads including 100 block of 55 th Ave West and 400 & 500 blocks of 49 th Ave. West. and 5400 block of 2A Street E, plus sewer trunk replacement on 49 th Ave West.
Project Cost	\$470,000.
Funding Sources	MSI Grant and Water & Sewer Capital Reserve
Rationale for need	Currently 16 blocks are in need of repaving. Repairs will be completed on a priority basis.
Impact on future operating costs	Less manpower required for maintenance over the next few years.
Implications of deferring this project	Increasing damage to road surfaces, resulting in more complaints to the Town and Council and gets more expensive to repair.

2019 Capital Project	
Project Name	Walking Paths
Anticipated Start	2019
Project Description	Expand walking paths throughout town – Westlyn Dr. to the Cemetery on 8 th Street W.
Project Cost	\$150,000.
Funding Sources	CFEP Grant and FGTF Grant
Rationale for need	Additional walking paths throughout and around Town was seen as a priority of the 2017 Parks and Recreation Master Plan.
Impact on future operating costs	Additional maintenance costs for clearing and repairing pathways.
Implications of deferring this project	May hinder future economic and population growth and increased risk of vehicle/pedestrian collision due to individuals walking on the roads due to lack of pathways.

VEHICLES

2019 Capital Purchase	
Project Name	Fleet Replacement
Anticipated Start	2019
Project Description	Replacement of gravel truck
Project Cost	\$100,000. Used price
Funding Sources	MSI Grant
Rationale for need	Reliable vehicles are needed in all departments A replacement cycle based on a priority list has be implemented. Replace an old 1997 gravel truck that requires more frequent repairs.
Impact on future operating costs	Maintenance and replacement parts costs are constantly increasing.
Implications of deferring this project	May be down to only one gravel truck which slows down operations, especially snow removal from streets during the winter.

2019 Capital Purchase	
Project Name	Fleet Replacement
Anticipated Start	2019
Project Description	Replacement of ½ ton truck to fleet – 4x4
Project Cost	\$40,000
Funding Sources	MSI Grant
Rationale for need	Reliable vehicles are needed in all departments. To maintain the fleet of 15 vehicles (7 Depts.) one or two must be replaced yearly to optimize the repair costs and asset value. A replacement cycle based on a priority list has been implemented.
Impact on future operating costs	Maintenance and replacement parts costs are constantly increasing.
Implications of deferring this project	No implications expected. Repairs costs cannot be recovered at sale when these unit are sent to auction.

2019 Capital Purchase	
Project Name	CPO Vehicle Upgrades
Anticipated Start	2019
Project Description	Purchase and Installation of CPO Vehicle Equipment to allow for traffic control (i.e. radar, camera system, etc)
Project Cost	\$10,500
Funding Sources	Bylaw Vehicle Capital Reserve
Rationale for need	With new CPO1 on staff vehicle upgrades were required to allow the officer to participate in traffic control. This is to cease our CPO1 contract with Fort Macleod and better manage areas of need.
Impact on future operating costs	Increased revenue for traffic tickets
Implications of deferring this project	Increased safety risk to our officer and reduced income due to no traffic ticket revenue.

BUILDINGS

2018 Capital Project	
Project Name	Multi-Use Community Complex
Anticipated Start	2019
Project Description	Renovation.
Project Cost	\$3,789,000
Funding Sources	Debenture, Capital Reserves, CFEP Grants, MSI Grants, and Enabling Accessibility Fund Canada Grant
Rationale for need	Existing office is over 70 years old and has reached its useful life, without major renovations.
Impact on future operating costs	Significant reduction in utilities costs, rent costs, and other operational costs due to being able to bring Administration, FCSS, and Economic Development all under one roof.
Implications of deferring this project	Current Administration building does not meet fire code, asbestos contamination, and internal plumbing replacement needed.

2019 Capital Project	
Project Name	Cemetery Columbarium
Anticipated Start	2019
Project Description	New Columbarium
Project Cost	\$30,000
Funding Sources	General Capital Reserve
Rationale for need	The Town only has 3 niche's left available for sale in their existing columbarium, and this has reduced from 7 late in 2018. The Town needs to ensure there are niches available to meet the current needs of the Town.
Impact on future operating costs	None.
Implications of deferring this project	Residents looking to have the cremains of loved ones placed in the Claresholm Cemetery may not be able to due to lack of space.

MACHINERY & EQUIPMENT

2018 Capital Purchase	
Project Name	ITRON MOBILE DATA COLLECTION UPGRADE
Anticipated Date	2019
Project Description	Replace/Upgrade Wireless Utility Meter Reader
Project Cost	\$28,000
Funding Sources	Capital reserve
Rationale for need	The current FC200 handheld is no longer compatible with newer technology and maintenance service is almost obsolete.
Impact on future operating costs	Future operating costs would include preventive maintenance on the system.
Implications of deferring this project	Deferring this project may result in complete failure of the collection system tools, requiring manual reading of meters.

Capital Purchase	
Project Name	Z335 lawn Mower
Anticipated Date	2019
Project Description	Zero turn mower for the Cemetery
Project Cost	\$4,000
Funding Sources	Federal Gas Tax Fund Grant
Rationale for need	Both cemetery mowers have blown motors. The cost to repair is over half the cost of a new unit. They do not make the old model anymore. Not good to invest in the old model that parts may be discontinued.
Impact on future operating costs	No impact on operations.
Implications of deferring this project	The Cemetery maintenance is near the Top of the list of weekly duties and there is a lot of grass that needs cutting daily. No time for breakdowns. We are currently using the small mower from the museum to mow the entire cemetery.

Capital Purchase	
Project Name	1445 Lawn mower purchase
Anticipated Date	2019
Project Description	1445 Lawn mower purchase (Parks Dept.)
Project Cost	\$53,000
Funding Sources	Federal Gas Tax Fund Grant
Rationale for need	Existing 2010 mower is getting worn out. A replacement cycle based on priority list has been implemented.
Impact on future operating costs	No extra costs are anticipated.
Implications of deferring this project	Less efficiency. Break downs are costly and time maintaining equipment is lost. This is one of two mowers that do the whole Town.

2018 Capital Purchase	
Project Name	Bobcat replacement program
Anticipated Start	Yearly
Project Cost	\$45,000 (Net \$5,000 after trade-in of old unit).
Funding Sources	Trade in of old Bobcat, with Tax Funding for difference.
Rationale for need	The program involves rotating old machine for a new machine yearly. The equipment is only covered by one year warranty and with some service of the machine included, we are keeping our costs for operations at the lowest possible for the Town.
Impact on future operating costs	This purchase procedure eliminates the chance of major repairs as we always have new warranty coverage
Implications of deferring this project	The value of our Bobcat will drop yearly and the cost for maintenance will also increase as this machine is used for 250+ hours per year. No warranty coverage unless we purchase extended warranty at almost \$2500.00 dollars per year.

2019 Capital Purchase	
Project Name	Snow removal equipment
Anticipated Start	2019
Project Description	Purchase of snowblower for the bobcat.
Project Cost	\$6,500
Funding Sources	Tax Funded
Rationale for need	This unit will improve the amount of snow that we can move and stop the high ridges on the sides of the sidewalks that cause drainage issues. With more pathway to clear it will be helpful to move snow faster.
Impact on future operating costs	More efficiently moving snow should save time. Minimal impact on future operating costs.
Implications of deferring this project	No implications in deferring.