

# MEMORANDUM

**To:** Stettler Town Council  
**From:** Administration  
**Date:** December 21, 2021  
**Re:** 2022 – 2024 Interim Operating Budget

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## Recommendation:

That the Town of Stettler Council adopt, per Section 242(2) of the *Municipal Government Act*, the Interim 2022 – 2024 Operating Budget, with the following 2022 budget estimates; Expenditures totaling \$18,380,558, Revenues totaling \$19,078,911 and Amount Available for Capital of \$698,353 for the year 2022 as an Interim Operating Budget for that part of 2022 prior to the Operating Budget being adopted by Council in May 2022.

## Background

Section 242 of the *Municipal Government Act (MGA)* requires Council to adopt an operating budget for each calendar year. Section 242 further states that a Council may adopt an interim operating budget for part of a calendar year. Since the Town's 2022 Operating Budget will not be adopted until May 2022, an interim operating budget is required to provide legal expenditure authority per Section 248 of the MGA.

The interim operating budget is not used to set definitive property tax rates; rather it is used as the authority to provide services, programs and overall corporate continuity. It is further used by Council to justify the setting all municipal utility rates for the subsequent year. An interim operating budget ceases to have any effect when the operating budget and tax/mill rate bylaw is adopted.

2022-2024 recommended budget summary from December 7, 2021:

- Proposed **Municipal Tax** no change **0%** (\$23,532 Growth)
- Proposed **Water Rate** no change **\$0.00m<sup>3</sup> (\$2.82)** (\$0.00)
- Proposed **Sewer Rate** no change **\$0.00 (\$22.75)** (\$0.00)
- Proposed **Garbage Rate** no change **\$0.00 (\$23.75)** (0.00)
- Proposed **Recycling Rate** no change **\$0.00 (\$6.50)** (\$0.00)
- Proposed Financial Impact on Average Residential Customer (municipal only) – 0%

<b>Revenues</b>					
% Change	Difference from 2022 Budget to 2021 Budget	2022 Operating Budget	2021 Operating Budget - May 2021 (not include \$645,000 Operating Capital Budget)	2020 Post Covid (Tax Budget - May 2020)	0% - Tax Increase / \$0 - Utility Increase
1.21%	\$228,230	\$19,078,911	\$18,850,681	\$18,240,375	
<b>Expenses</b>					
% Change	Difference from 2022 Budget to 2021 Budget	2022 Operating Budget	2021 Operating Budget - May 2021 (not include \$645,000 Operating Capital Budget)	2020 Post Covid (Tax Budget - May 2020)	
1.51%	\$273,340	\$18,380,558	\$18,107,218	\$17,691,128	
<b>Amount Available for Capital</b>					
% Change	Difference from 2022 Budget to 2021 Budget	2022 Operating Budget	2021 Operating Budget - May 2021 (not include \$645,000 Operating Capital Budget)	2020 Post Covid (Tax Budget - May 2020)	
-6.07%	-\$45,110	\$698,353	\$743,463	\$549,247	

  

Revenues	Difference (negative = loss)	2022 Budget	2021 Budget	2020 Post Covid (May 2020)
White Sands Admin Contract	-\$8,000	\$0	\$8,000	\$32,000
Seniors Housing Requisition	\$4,630	\$372,742	\$368,112	\$350,318
ASFF	\$28,118	\$2,347,657	\$2,319,539	\$2,327,097
SRO (Clearview & County)	\$54,439	\$83,356	\$28,917	\$0
SRC Rentals (Pool)	\$70,050	\$259,000	\$188,950	\$142,375
Campground	\$5,000	\$120,000	\$115,000	\$50,000
Community Hall Rentals	\$10,000	\$40,000	\$30,000	\$20,000
Franchise Fee (Gas)	\$62,050	\$1,065,000	\$1,002,950	\$936,000
Franchise Fee (Power)	\$78,000	\$805,000	\$727,000	\$712,000
Board of Trade (pheasant festival)	-\$88,580	\$0	\$88,580	\$86,000
<b>Total Revenue Changes</b>	<b>\$215,707</b>			

  

Expenses	Difference (negative = reduction)	2022 Budget	2021 Budget	2020 Post Covid (May 2020)
Labour	\$72,050	\$6,297,570	\$6,225,520	\$6,209,960
RCMP Contract	\$6,730	\$1,087,211	\$1,080,481	\$956,072
Fire Protection (net) (county honorarium - \$7000 / Training - \$1000 / Foam - \$3000 / Fire hall repair materials - \$3000 / Utilities - \$3100 / Protective Clothing - \$3000	\$20,131	\$464,943	\$444,812	\$486,451
Insurance	\$10,033	\$210,920	\$200,887	\$175,250
Debentures	-\$33,480	\$660,920	\$694,400	\$694,400
Water - WTP - Chemical Testing	\$10,000	\$26,000	\$16,000	\$16,000
Stettler Public Library	\$11,625	\$250,117	\$238,492	\$250,182
Stettler Museum	\$8,000	\$42,000	\$34,000	\$34,000
Pool - Equipment Repair / shut down	\$14,000	\$30,500	\$16,500	\$12,750
Natural Gas	\$35,452	\$236,916	\$201,464	\$185,396
Power	\$138,258	\$968,355	\$830,097	\$861,757
Election 2021	-\$7,000	\$0	\$7,000	\$0
SWMA- Req Increase - \$3 (5952)	\$17,856	\$404,736	\$386,880	\$386,880
Waste Management Contract - 2%	\$6,516	\$285,183	\$278,667	\$276,145
Seniors Housing Requisition	\$4,630	\$372,742	\$368,112	\$350,318
ASFF	\$28,118	\$2,347,657	\$2,319,539	\$2,327,097
Board of Trade (pheasant festival)	-\$87,500	\$0	\$87,500	\$85,000
<b>Total Expense Changes</b>	<b>\$255,419</b>			

Administration considers the 0% property tax increase and \$0.00 utility rate increases included in the 2022 Interim Operating Budget necessary given the ongoing current economic conditions and future obligations required in our community as a result of COVID19. The three-year forecast reflects Administration and Council's intent to be fiscally responsible and accountable to its residents.

The 2022 – 2024 Operating Budget enables Council to sustain the current high level of public services, facilities and utilities for all Stettler residents, as well as continue to renew existing infrastructure, in light of the current and future economic conditions due to COVID19.

Consideration of this 2022 – 2024 Interim Operating Budget “Memorandum” alone affords Council a broad perspective highlighting an estimated **\$15,865,592** million or **86.32%** of the entire **\$18,380,558** million dollars in expenditures included in this budget:

	2019 Budget	2020 Pre Covid - Dec 2019	2020 Post Covid - May 2020	2021 Budget	2022 Budget	Difference (2022 Budget - 2021 Budget)	2023	2024	2025
<b>Total Operational Budget Summary Memo</b>									
Amount available for capital	\$1,076,350	\$1,025,427	\$549,247	\$743,463	\$698,353	-\$45,110	\$813,666	\$922,211	\$0
Minor capital in operations	\$517,530	\$528,300	\$528,300	\$534,300	\$532,200	-\$2,100	\$535,800	\$538,000	\$0
Insurance - 5% increase	\$168,156	\$171,510	\$175,250	\$200,887	\$210,920	\$10,033	\$215,130	\$219,440	\$0
Community Partners	\$2,139,179	\$2,245,370	\$2,152,559	\$2,226,381	\$2,290,146	\$63,765	\$2,306,500	\$2,348,267	\$0
Salaries and benefits - 0.05% increase	\$5,784,230	\$6,209,960	\$6,209,960	\$6,225,520	\$6,297,570	\$72,050	\$6,397,970	\$6,548,249	\$0
Labour Contingency	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electricity (rate/MWh 2018 - \$58.29, 2019 & 2020 - \$53.10, 2021 & 2022 - \$43.92 / increase in distribution costs - \$120,657	\$904,920	\$861,757	\$838,489	\$830,097	\$968,355	\$138,258	\$968,355	\$968,355	\$0
Natural Gas (2018-2022) -\$2.67 / Commodity cost increase to \$4.00/GJ on 25% exposed volumes - \$15,174 / federal carbon tax increase - \$2.10/GJ to \$2.63/GJ - \$16,278	\$180,134	\$185,396	\$179,822	\$201,464	\$236,916	\$35,452	\$256,995	\$278,245	\$0
Electricity and natural gas contingency	\$30,000	\$0	\$0	\$0	\$0	\$0			
Debenture debt servicing - delete bylaw 1840.01 - parkdale roadway / bylaw 1841.01 - jiro watermain extension	\$760,003	\$691,596	\$691,596	\$694,400	\$660,920	-\$33,480	\$653,360	\$612,830	\$0
Policing Contract - (2020 Based on Actual Budget Numbers from RCMP - allotment 8 members / budget for 7.5)	\$1,071,838	\$956,072	\$956,072	\$1,080,481	\$1,087,211	\$6,730	\$1,104,376	\$1,128,871	\$0
Assessment Contract - 2022 - \$0.50 inc / parcel (3075)	\$81,855	\$81,989	\$81,989	\$82,123	\$83,794	\$1,671	\$83,930	\$84,060	\$0
Bylaw enforcement contract - 1.5% increase	\$155,627	\$159,518	\$159,518	\$163,506	\$166,367	\$2,861	\$170,527	\$173,534	\$0
Garbage collection contract - 2022 - 2% increase	\$185,910	\$207,210	\$171,624	\$173,424	\$177,321	\$3,897	\$181,119	\$184,953	\$0
Recycling collection contract - 2022 - 2% increase	\$111,975	\$123,457	\$104,521	\$105,243	\$107,862	\$2,619	\$110,396	\$112,940	\$0
<b>Operational Budget Summary</b>	<b>\$13,217,707</b>	<b>\$13,447,562</b>	<b>\$12,798,947</b>	<b>\$13,261,289</b>	<b>\$13,517,935</b>	<b>\$256,646</b>	<b>\$13,798,124</b>	<b>\$14,119,955</b>	<b>\$0</b>
ASFF - 1% increase	\$2,314,984	\$2,334,809	\$2,327,097	\$2,319,539	\$2,347,657	\$28,118	\$2,386,292	\$2,386,292	\$0
<b>Total Operational Budget Summary Memo</b>	<b>\$15,532,691</b>	<b>\$15,782,371</b>	<b>\$15,126,044</b>	<b>\$15,580,828</b>	<b>\$15,865,592</b>	<b>\$284,764</b>	<b>\$16,184,416</b>	<b>\$16,506,247</b>	<b>\$0</b>
<b>Total Operational Budget Expenditures</b>	<b>\$17,677,384</b>	<b>\$17,927,471</b>	<b>\$17,691,128</b>	<b>\$18,107,218</b>	<b>\$18,380,558</b>		<b>\$18,624,906</b>	<b>\$18,787,011</b>	<b>\$0</b>
	87.87%	88.03%	85.50%	86.05%	86.32%		86.90%	87.86%	

The 2022 – 2024 Interim Operating Budget ensures that a significant amount of internally generated funds are available for normal capital on an annual basis. Administration remains optimistic in the Town's ability to save for/invest in major capital equipment and infrastructure given substantial multi-year federal and provincial grant programs (MSI, FGTF, BMTG), however with the global, national & provincial pandemic economic recoveries uncertain, the Town will continue to be cautious and challenged in its ability to address all the community's needs on a timely basis.

A summary of the overall revenue and expenditure levels included in the three-year Interim Operating Budget 2022 – 2024 are as follows:

	2014	2015	2016	2017	2018	2019	2020 Pre Covid - Dec 2019	2020 Post Covid - May 2020	2021 (May 2021)	2022	2023	2024
Total Revenues	\$15,787,405	\$16,344,323	\$17,475,500	\$17,785,191	\$18,345,659	\$18,753,734	\$18,952,898	\$18,240,375	\$18,850,681	\$19,078,911	\$19,435,703	\$19,706,210
Total Expenditures *	\$14,817,975	\$15,421,559	\$16,184,230	\$16,801,224	\$17,318,754	\$17,677,384	\$17,927,471	\$17,691,128	\$18,107,218	\$18,380,558	\$18,622,037	\$18,783,999
<b>Net Revenue Generated</b>	<b>\$969,430</b>	<b>\$922,764</b>	<b>\$1,291,270</b>	<b>\$983,967</b>	<b>\$1,026,905</b>	<b>\$1,076,350</b>	<b>\$1,025,427</b>	<b>\$549,247</b>	<b>\$743,463</b>	<b>\$698,353</b>	<b>\$813,666</b>	<b>\$922,211</b>
<b>Available for Capital</b>												
Utility Source Capital	\$561,500	\$629,283	\$579,417	\$523,839	\$445,438	\$396,822	\$389,930	\$301,588	\$425,041	\$374,881	\$388,065	\$420,082
General Source Capital	\$407,930	\$293,481	\$711,854	\$460,128	\$581,467	\$679,528	\$635,497	\$247,659	\$318,422	\$323,472	\$425,601	\$502,129
<b>Net Revenue Generated</b>	<b>\$969,430</b>	<b>\$922,764</b>	<b>\$1,291,271</b>	<b>\$983,967</b>	<b>\$1,026,905</b>	<b>\$1,076,350</b>	<b>\$1,025,427</b>	<b>\$549,247</b>	<b>\$743,463</b>	<b>\$698,353</b>	<b>\$813,666</b>	<b>\$922,211</b>
<b>Plus External Grants (pending)</b>												
Basic Municipal Transportation Grant	\$344,880	\$344,880	\$344,880	\$344,880	\$357,120	\$357,120	\$357,120	\$357,120	\$357,120	\$357,120	\$357,120	\$357,120
Federal Gas Tax (FGTF)	\$325,631	\$301,327	\$309,892	\$310,904	\$328,277	\$672,579	\$346,344	\$340,465	\$696,912	\$356,384	\$356,384	\$356,384
MSI Operating - Police	\$54,446	\$54,445	\$53,284	\$52,513	\$53,680	\$54,199	\$53,391	\$52,856	\$52,448	\$52,448	\$52,448	\$52,448
MSI Capital	\$1,063,495	\$1,125,861	\$1,043,475	\$1,947,237	\$561,531	\$566,378	\$945,165	\$943,458	\$1,245,630	\$649,945	\$649,945	\$649,945
COVID-19 - MOST (Municipal Operating Support Transfer)									\$607,693			
COVID-19 - MSP (Municipal Stimulus Program)									\$707,509			
<b>Total Grants</b>	<b>\$1,788,452</b>	<b>\$1,826,513</b>	<b>\$1,751,531</b>	<b>\$2,655,534</b>	<b>\$1,300,608</b>	<b>\$1,650,276</b>	<b>\$1,702,020</b>	<b>\$1,693,899</b>	<b>\$3,667,312</b>	<b>\$1,415,897</b>	<b>\$1,415,897</b>	<b>\$1,415,897</b>
<b>Total New Available Funds</b>	<b>\$2,757,882</b>	<b>\$2,749,277</b>	<b>\$3,042,802</b>	<b>\$3,639,501</b>	<b>\$2,327,513</b>	<b>\$2,726,626</b>	<b>\$2,727,447</b>	<b>\$2,243,146</b>	<b>\$4,410,775</b>	<b>\$2,114,250</b>	<b>\$2,229,563</b>	<b>\$2,338,108</b>

\* Other notable Maintenance Spending Allocations within the 2022-2024 Operating Budget

Ongoing Annual Maintenance	2014	2015	2016	2017	2018	2019	2020 Post Covid - May 2020	2020 Pre Covid - Dec 2019	2021	2022	2023	2024
Water Meter Replacements	\$46,000	\$46,000	\$46,000	\$46,000	\$46,500	\$47,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Sidewalk Replacements	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Gravel Road Oiling	\$27,000	\$27,500	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Well Abandonment	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Protective Clothing	\$57,300	\$57,300	\$57,300	\$57,300	\$57,300	\$59,000	\$60,800	\$60,800	\$62,600	\$65,000	\$67,600	\$68,800
Physician Recruitment	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
BOT Community Development	\$45,900	\$44,000	\$44,000	\$44,000	\$44,000	\$44,000	\$0	\$44,000	\$44,000	\$44,000	\$44,000	\$44,000
Land Development Reserve (LDR) / Lot Sales	\$116,110	\$102,050	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Economic Incentives	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Stettler Recreation Centre Annual Repairs	\$78,500	\$93,600	\$93,600	\$94,210	\$74,720	\$75,030	\$75,000	\$75,000	\$87,200	\$81,700	\$82,700	\$83,700
Water treatment Plant Annual Repairs	\$102,920	\$105,500	\$107,100	\$109,600	\$111,400	\$133,100	\$135,100	\$135,100	\$127,100	\$128,100	\$128,100	\$128,100
Computer Capital Replacement	\$26,900	\$26,900	\$26,900	\$26,900	\$26,900	\$26,900	\$26,900	\$26,900	\$26,900	\$26,900	\$26,900	\$26,900
<b>Total Generated In/From Operations</b>	<b>\$633,130</b>	<b>\$610,350</b>	<b>\$507,400</b>	<b>\$510,510</b>	<b>\$493,320</b>	<b>\$517,530</b>	<b>\$484,300</b>	<b>\$528,300</b>	<b>\$534,300</b>	<b>\$532,200</b>	<b>\$535,800</b>	<b>\$538,000</b>

## Land Development

The Town of Stettler's Land Development portfolio has an approximate fair market value at December 31<sup>st</sup>, 2022 as estimated below:

**Realized:**

Land Development Reserve @ Dec. 31/20	\$1,071,555	
Projected expenses to Dec. 31/21	-\$242,612	(Type 4 intersection – Hwy12)
Projected additions to Dec. 31/22	\$0.00	
Projected deletions to Dec. 31/22	<u>\$0.00</u>	
Total Land Development Reserve @ Dec 31/22	\$828,943	

**Unrealized:**

Meadowlands – (68 acres undeveloped)	\$700,000	
Meadowlands (5 lots unsold)	\$308,250	(\$61,650 per lot)
Emmerson (1 duplex lot unsold)	\$74,900	(\$74,900 per lot)
Emmerson (partially serviced 53 lots)	\$530,000	(@ \$10,000 per lot)
NE Industrial (128 acres undeveloped)	<u>\$1,280,000</u>	(@ \$10,000 per acre)
<b>Net Fair Value</b>	<b>\$3,722,093</b>	



Administration, being conservative, has not forecast any sales of our remaining serviced residential lots/undeveloped lands in 2022. Although Town lots are priced competitively, local lot sales/home construction is being predominantly driven privately in Meadowlands by the Park.

Normally the Town's unrealized Land Development properties, through relatively consistent annual lot sales, would have provided this Interim Operating Budget with approximately \$55,270 towards Subdivision Administration departmental costs and a further \$40,000 (ROI like) contribution. However, with no forecasted municipal lot sales in 2022, the Operating Budget is now absorbing this combined \$95,270 revenue loss. Subdivision Administration will now be paid by other enhanced revenue sources included in this Budget.

In 2016 Council accepted that all future lot/land sale proceeds upon realization be transferred fully into the Land Development Reserve to mitigate the further erosion of this saving fund for future considerations.

This decision will help preserve the significant value of our (dormant for now) Land Development holdings. Down the road Administration believes that the Town will be in a better position to ultimately expend these funds on valued major infrastructure expansion, community projects/facilities, or to re-enter the land development environment, if necessary.

## Community Program Partners

The 2022 – 2024 Interim Operating Budget includes continued funding for our community program partners and regional joint collaborative initiatives as follows:

		2019	2020 (Pre Covid - Interim Budget - Dec 2019)	2020 (Post Covid - Tax Budget - May 2020)	2021 Budget	2022 Budget	2022-2021 Difference	2023	2024
1	Family Community Support Services (FCSS-2017-Botha)	\$196,435	\$196,435	\$196,435	\$196,435	\$196,435	\$0	\$196,435	\$196,435
	Provincial Funding (80%) - \$157,148								
	Municipal Funding (20%) - \$39,287								
2	Museum (land purchase)	\$34,000	\$34,000	\$34,000	\$34,000	\$42,000	\$8,000	\$34,000	\$34,000
3	Board of Trade (net) (Advertising decrease - \$11,890 / Brochures decrease - \$3,900)	\$244,217	\$287,210	\$259,110	\$325,305	\$324,776	-\$529	\$299,384	\$308,034
	Community Event	\$5,000	\$5,000	\$5,000	\$3,500	\$4,000	\$500	\$4,000	\$4,000
	Community Event - Steel Wheel Stampede	\$10,000	\$0	\$0	\$0	\$0		\$0	\$0
	Community Event - Adult Learning Council	\$3,000	\$3,000	\$0	\$3,000	\$3,000		\$3,000	\$3,000
	Community Development (\$44,000 - Programs)	\$31,000	\$41,000	\$0	\$41,000	\$41,000		\$41,000	\$41,000
4	Beautification - HBC (grant)	\$22,200	\$22,200	\$22,200	\$22,200	\$22,200	\$0	\$22,200	\$22,200
5	Public Library 2-74-11-00-00-765 (same 2020 requisition)	\$245,702	\$250,182	\$250,182	\$238,492	\$250,117	\$11,625	\$254,175	\$258,654
6	Parkland Reg Library (requisition)	\$49,104	\$50,890	\$50,890	\$50,890	\$50,890	\$0	\$51,907	\$52,946
7	Senior Handi Bus Society (grant-2-62)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$0	\$25,000	\$25,000
8	Senior Housing Authority (req) (2% increase)	\$331,307	\$347,873	\$350,318	\$368,112	\$372,742	\$4,630	\$391,379	\$410,948
9	Solid Waste Management (\$65+\$3=\$68-swma req/pop inc 5952)	\$386,880	\$404,736	\$386,880	\$386,880	\$404,736	\$17,856	\$422,592	\$422,592
10	Heartland Youth Centre (playground program)	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$0	\$50,000	\$50,000
11	Fire Protection (net) (county honorarium - \$7000 / Training - \$1000 / Foam - \$3000 / Fire hall repair materials - \$3000 / Utilities - \$3100 / Protective Clothing - \$3000)	\$465,511	\$491,751	\$486,451	\$444,812	\$464,943	\$20,131	\$474,233	\$481,622
13	Airport (net) (utility increase)	\$39,823	\$36,094	\$36,094	\$36,755	\$38,307	\$1,552	\$37,195	\$37,836
<b>Total Community Partners</b>		<b>\$2,139,179</b>	<b>\$2,245,370</b>	<b>\$2,152,559</b>	<b>\$2,226,381</b>	<b>\$2,290,146</b>	<b>\$63,765</b>	<b>\$2,306,500</b>	<b>\$2,348,267</b>
14	Education (ASFF) - 1% increase	\$2,314,984	\$2,334,809	\$2,327,097	\$2,319,539	\$2,347,657	\$28,118	\$2,368,544	\$2,393,266
15	Recreation (net) - Revenue increase - \$77,223 (county - \$8100, Pool - \$70,050, Hall - \$10,000 / Campground - \$5000 / SRC hockey revenue decrease - \$13,317 // Expenses increase - SRC - \$171,353 (Arena utilities \$43000 & pool utilities & repair materials - \$87,000 / Culture Library and museum - \$20,000 / Parks salaries, materials & utilities - \$27,831 / P&L Admin decrease in software maintenance - (\$7000)	\$2,202,951	\$2,480,729	\$2,793,829	\$2,552,269	\$2,646,399	\$94,130	\$2,487,956	\$2,527,359

## Major Budget Impacts and Constraints

### Cost of Labor

A significant share (40.35%) of the overall 2022 – 2024 Interim Operating Budget is committed to human resources. Town Council understands and appreciates that our most valuable resource is people: energetic, innovative employees who care equally about providing great service for municipal residents while working safe and effectively with others. Employees who are constantly striving to be the best they can be in the performance of their jobs and responsibilities. Senior Administration works hard at promoting a healthy, civil, respecting and appreciative culture in the workplace, and Council assists greatly in being a genuine champion for its employees.

Incremental changes include market adjustments, annual inflation and merit adjustments considered necessary to remain competitive. The inherent inflation factor built into past and future year labor budgets is as follows:

	(Jan 1)		AB CPI (Jan1)
2016	3%		2.1%
2017	3%		2.5%
2018	1.5%		1.4%
2019	1.5%		1.2%
2020	2.5%		1.1% (October 2020)
2021	0%	Total 11.5%	4.7% (August 2021) Total 13%
2022	0.5%		
2023	0.5%		
2024	____%	(subject to CUPE negotiations)	

The Town is a service provider and the provision of municipal services is enhanced by employing and maintaining a well-trained, experienced and dedicated team. Employees are considered our most valuable asset and the retention of knowledgeable staff is considered a very high priority within our organization.

**The creation of new positions and/or salary grid changes must be approved by Council. A “Succession Planning Reserve Account” of \$300,000 was created in 2021 to assist with the ongoing Administration transitions within the organization over the coming years. Therefore, the Payroll contingency of \$50,000 has been eliminated for the 2022-2024. Administratively a contingency allocation was considered appropriate as the organization was experiencing some internal restructuring due to key retirements, as well ensuring some funds for seasonal emergent (enhanced) services. Conservative FTE/PT/OT employee costs are now better reflected with department labour budgets across the entire organization.**

2016	\$50,000 (transferred to General Reserves)
2017	\$50,000 (transferred to General Reserves)
2018	\$50,000 (transferred to General Reserves)
2019	\$50,000 (transferred to General Reserves)
2020	\$0.00
2021	\$0.00
<b>2022</b>	<b>\$0.00</b>
2023	\$0.00
2024	\$0.00

Salaries and benefits for employees are summarized below:

			Total Salary & Benefits Budget	General Salaries	41-42-43 Utilities Salaries	Utility % of Total Salaries & Benefits
		2014 Payroll Budget	4,814,270	3,662,480	1,151,790	23.92%
		2015 Payroll Budget	5,042,160	3,858,430	1,183,730	23.48%
		2016 Payroll Budget	5,231,370	4,005,360	1,226,010	23.44%
		2017 Payroll Budget	5,530,020	4,226,160	1,303,860	23.58%
		2018 Payroll Budget	5,717,710	4,432,770	1,284,940	22.47%
		2019 Payroll Budget	5,784,230	4,413,610	1,370,620	23.70%
		2020 Payroll Budget	6,209,960	4,841,990	1,367,970	22.03%
		2021 Payroll Budget	6,225,520	4,866,610	1,358,910	21.83%
<b>2022 Changes</b>						
	Benefits	WCB Claims Experience	(43,421)			
		Equitable Life - (Dental / Ext Health)	11,244			
		LAPP	(44,004)			
	Administration	Manager of Accounting and Financial Services (grid increase)	0			
	Planning	Additional Planning Position	69,462			
	Board of Trade	BOT Staffing Changes	11,890			
	Transportation	Retirement Payout	9,500			
		Replace Transportation Foreman	(12,007)			
		Replace Transportation Labour	(12,979)			
	Parks and Leisure	Additional Summer Student - CIB	5,000			
	COLA - 0.05%	Merit, Benefit Volume/Rate Increases	77,366			
		2022 Payroll Budget	<b>6,297,570</b>	4,938,660	1,358,910	21.58%
		2021- 0.25%	1.16%	72,050		
		2023 Payroll Budget (est 0.05%)	6,397,970	100,400	1.59%	
		2024 Payroll Budget (est 1%)	6,548,249	150,279	2.35%	



## Cost of Electricity and Natural Gas

The Town will consume approximately **4999 mWh** (4,999,000 kWh) of electricity in 2022 (**2021-5028 mWh**) at the contracted rate with CAPITAL POWER of \$43.92 per mWh (3 years: 2021-2023). The difference in mWh is the overall usage at the campground and traffic lights. A summary of the Electrical Rate paid by the Town of Stettler is as follows:

- 2013 - 2018 - \$58.29 mWh – ENMAX / 2019 - 2020 - \$53.10 mWh - ENMAX
- 2021 - 2023 - \$43.92 mWh – CAPITAL POWER
- 2024 – 2026 - \$52.85 mWh – CAPITAL POWER

The Town's energy contractor Energy Associates International (EAI) was integral in procuring our future retail electricity requirements in 2013 - 2026. They're fees are \$3 per mWh (approximately \$14,400 annually which is included in the commodity cost).

Combining both commodity retail fees (CAPITAL POWER & EAI **\$247,230 - 26%**) with wire service provider charges (ATCO **\$721,125 – 74%**), the 2022 Interim Operating Budget includes **\$968,355** (**2021 - \$830,097 - increase of \$138,258 / 16.66%**) for electricity. In 2022 the \$138,258 includes the following: distribution costs/local access fee +\$135,120, and rate rider cost +\$3,138. Approximately **74%** (or **\$715,290**) of the Town's entire cost of electricity is attributed to the following three types of consumption: WTP 19.78% (**\$191,546**), the SRC 24.72% (**\$239,413**), and Street Lights 29.36% (**\$284,331**).

In addition, the Town will consume approximately **25,185 GJ** of natural gas in 2022 (**23,824 in 2021**) at the contracted rate with ACCESS Gas of \$2.67+ UFG (Unaccounted for Gas lost through the distribution system)+ applicable administration fees per GJ (5-year 2018 – 2022 - Hybrid Purchase (75% equivalent of weather normalized volumes) plus the EAI fee of \$0.30 per GJ. The 2022 Interim Operating Budget includes **\$236,916** (**2021 - \$201,464 increase of \$35,452 / 17.6%**) for natural gas. The Provincial Carbon Tax has been repealed effective June 1, 2019; however, the 2022 Interim Budget foresees an increase of the Federal Carbon Tax in Alberta to \$2.63/GJ till April 1, 2022 then \$3.29/GJ till April 1, 2023 from the 2021 rate of \$2.10/GJ. As such there is an increase in the Carbon Tax cost in 2022 of \$16,278 (\$60,978-\$44,700 = 36.4%) with the remaining \$19,174 from the increased usage in Town owned facilities. The Federal Carbon Tax currently makes up approximately **26%** (**\$60,978**), Commodity charges **37%** (**\$88,513**) and Transportation / Local Access Fee **37%** (**\$87,425**) of the Total \$236,916

**Given provincial uncertainty, as well as confidence in the budget estimates, Administration has eliminated the \$30,000 utility contingency in the 2022 – 2024 Interim Operating Budget.**

Of note, the Town has included "Affiliated Sites" in both of our long-term utility supply contracts with CAPITAL POWER & ACCESS GAS. These external community organizations benefit by realizing the same rates as the Town, while being responsible for their own bills. These sites include:

- Stettler Regional Board of Trade and Community Development
- Stettler Curling Club
- Stettler Community Support Centre (FCSS)
- Royal Canadian Legion
- Stettler Regional Child Care Centre
- Superfluity
- Gear-up

- Summer Village of White Sands
- Stettler Museum (added 2016)
- Stettler Golf Course (added 2019-2020)

### Franchise Agreements

The AltaGas Franchise Agreement was also renegotiated in 2015. This reflects a change in the franchise fee from 18% to 30%, **2022 – \$1,065,000** (2021 - \$1,002,950 - \$62,050 increase). The difference is based on an increase in Delivery Revenues, not retail revenues.

The ATCO Electric Franchise Agreement was also renegotiated in 2017. This reflects a change in the franchise fee from 6.1% to 11.1%. **2022 – \$805,000** (2021 - \$727,000 - \$78,000 increase). Franchise Fees are calculated upon the estimated distribution component of customer bills and not upon the retail (consumption) component.

### Debenture Debt

Debenture Debt outstanding at the end of 2022 will be approximately \$4.5 million. Included in this debt are borrowings for local improvement purposes of which \$1.253 million is being repaid through frontage levies on abutting properties. Therefore, these local improvement borrowings will be paid 100% by benefiting property owners and have no operating budget impacts.

Year	Total Debentures
2016	\$6,969,966.00
2017 *LI*	\$6,979,181.00
2018	\$6,502,626.00
2019	\$6,004,089.82
2020	\$5,482,521.43
2021	\$5,004,358.85
<b>2022</b>	<b>\$4,504,844.98</b>
2023	
2024	
2025	

In accordance with the Town's 2020 Audited Financial Statements the Town's maximum debt limit per provincial legislation is approximately \$24 million. The 2022 Interim Operating Budget includes annual debt servicing costs as follows:

	Utilities	General	Total
Principle	\$283,450.00	\$205,080.00	\$488,530.00
Interest	\$107,580.00	\$64,810.00	\$172,390.00
Total	\$391,030.00	\$269,890.00	\$660,920.00
			\$660,920.00
		<b>2022 Budget</b>	<b>\$660,920.00</b>

2021 - \$694,400 (-\$33,480) - delete 2022 - bylaw 1840-01 - Parkdale roads & bylaw 1841-01 - Jiro watermain extension

### County of Stettler Revenue Contributions included in the Interim Operating Budget

	2019	2020 (Pre Covid - Interim Budget - Dec 2019)	2020 (Post Covid - Tax Budget - May 2020)	2021	2022	2023	2024
<b>County of Stettler Contributions</b>							
Fire Department (Joint 50% / County Honorarium - 100%)	\$176,998	\$191,774	\$185,924	\$232,779	\$239,913	\$245,922	\$250,413
Regional Fire Chief & Deputy (50%)	\$148,580	\$151,865	\$151,865	\$151,680	\$150,155	\$152,490	\$154,525
RCMP - Community Resource Officer (25%)	\$28,690	\$0	\$0	\$0	\$44,156	\$44,627	\$46,037
Airport Operations	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Recreation Cost Sharing (originally \$513,300)	\$470,980	\$431,500	\$431,500	\$431,500	\$439,600	\$444,000	\$448,500
Stettler Board of Trade (funding on project by project basis)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total County of Stettler Contributions</b>	<b>\$829,748</b>	<b>\$779,639</b>	<b>\$773,789</b>	<b>\$820,459</b>	<b>\$878,324</b>	<b>\$891,539</b>	<b>\$903,975</b>

## County of Stettler Equitable Recreation Cost Sharing Contribution:

The 2022 Interim Operating Budget includes **\$439,600** (2021 - \$431,500 - \$8,100) in recreation support from the County of Stettler. The Administrative assumptions incorporated are as follows:

PLS Revenue:	\$439,600	
PLS Expenditures:		
Transfer to SRC Capital Reserve -Town	\$173,600	(represents 65% of \$4M deemed debt)
Transfer to SRC Capital Reserve -County	<u>\$93,300</u>	(represents 35% of \$4M deemed debt)
	<b>\$266,900</b>	
Remains as net operational support	\$54,300	(to support property tax mitigation)
Remains as new net operational support	<u>\$118,400</u>	(enhances available for Capital Budget)
	<b>\$172,700</b>	

The availability of these new funds is welcome and certainly helps to soften the budgetary impacts of the proposed 0% property tax increase.

	Assessment	Agreement %	% (\$ Amount)	Town of Stettler Budget	Actual Paid by County of Stettler	Assessment Diff	Budget Diff	% Diff	Capital (35% \$93,300) + (65% \$173,600)	Available for Capital	Operating
2015	1,619,422,100	0.03170%	\$513,356.81	\$513,300.00	\$513,451.54	0	0	0.00%	\$266,900	\$118,400	\$128,000
2016	1,564,948,030	0.03170%	\$496,088.53	\$496,000.00	\$495,612.29	-54,474,070	-17,300	-3.37%	\$266,900	\$118,400	\$110,700
2017	1,486,850,730	0.03170%	\$471,331.68	\$471,500.00	\$471,008.25	-78,097,300	-24,500	-4.94%	\$266,900	\$118,400	\$86,200
2018	1,497,109,550	0.03170%	\$474,583.73	\$474,000.00	\$473,521.29	10,258,820	2,500	0.53%	\$266,900	\$118,400	\$88,700
2019	1,487,837,630	0.03170%	\$471,644.53	\$471,600.00	\$470,979.71	-9,271,920	-2,400	-0.51%	\$266,900	\$118,400	\$86,300
2020	1,361,294,500	0.03170%	\$431,530.36	\$431,500.00	\$430,433.44	-126,543,130	-40,100	-8.50%	\$266,900	\$118,400	\$46,200
2021	1,373,106,660	0.03170%	\$435,274.81	\$431,500.00		11,812,160	0	0.00%	\$266,900	\$118,400	\$46,200
2022	1,386,837,727	0.03170%	\$439,627.56	\$439,600.00		13,731,067	8,100	1.88%	\$266,900	\$118,400	\$54,300
2023	1,400,706,104	0.03170%	\$444,023.83	\$444,000.00		13,868,377	4,400	1.00%	\$266,900	\$118,400	\$58,700
2024	1,414,713,165	0.03170%	\$448,464.07	\$448,500.00		14,007,061	4,500	1.01%	\$266,900	\$118,400	\$63,200

## Family and Community Support Services (FCSS)

The Town will continue to fund the maximum 20% share (**\$39,287**) to access the maximum 80% available funding from the Provincial Government (**\$157,148**). Total FCSS contribution including provincial funding is **\$196,435** in 2022.

## Miscellaneous 2022 Budget impacts

- Fire Agreements with Villages (50% Town share) will generate \$29,788
- AE Kennedy rental income to increase by \$900 to \$205,300 (2021 - \$204,400)
  - Current agreement expires 2023
- Ambulance Station rental income will generate \$20,100.
- Library rental income \$42,000.
- Physician recruitment included at \$1,500 per year. (decrease of \$21,000 from 2019)
- Minor Sport Associations within Town facilities continues to be subsidized at 50%.
- Seniors Centre (HUB) - \$22,875 income (includes \$6,000 casino funding)/ \$13,280 expense

## Property Assessment and Taxation

### Property Assessment Growth Estimates due to New Construction

Growth in our assessment base, due to new construction, is expected to generate additional municipal revenues as follows:

• 2016	\$8.8 million	\$67,315
• 2017	\$3 million	\$23,223
• 2018	\$2.7 million	\$18,763
• 2019	\$3.2 million	\$25,980
• 2020	\$3.4 million	\$28,290
• 2021	\$3.9 million	\$29,865
• <b>2022</b>	<b>\$3 million</b>	<b>\$23,532</b>
• 2023	\$2 million	\$15,900
• 2024	\$2 million	\$15,920

This new revenue from property taxation growth is welcome and vital to fund the budget challenges associated with sustainability and the ongoing uncertain Alberta economy.

### Municipal Property Taxation

Municipal governments have few tools available to finance budgetary pressures. Property taxes are the primary and most substantial revenue source available. The three-year Operating Budget proposes the following municipal property tax increases to offset rising costs, yet remaining mindful of today's economic challenges.

	<u>Res/N-Res</u>	<u>New Tax \$ Generated</u>	<u>Each 1% equals</u>
2024	2% & 2%	\$138,971	\$61,525
2023	2% & 2%	\$136,226	\$60,163
<b>2022</b>	<b>0% &amp; 0%</b>	<b>\$0</b>	<b>\$59,935</b>
2021	0% & 0%	\$0	\$59,505
2020	0% & -1%	-\$22,496	\$59,347
2019	2% & 2%	\$112,730	\$56,365
2018	2% & 2%	\$110,003	\$55,003
2017	2% & 2%	\$107,484	\$53,742
2016	2% & 2%	\$105,380	\$51,978
2015	3% & 3%	\$149,247	\$49,750
2014	3% & 4%	\$143,440	\$47,110
2013	3% & 3%	\$129,403	\$45,740
2012	3% & 3%	\$122,980	\$40,993
2011	3% & 3%	\$118,170	\$39,390
2010	1% & 2%	\$50,500	\$38,360
2009	.45% & 2.9%	\$45,660	\$37,167
2008	5.41% & 8.45%	\$213,585	
2007	5% & 10%	\$194,062	
2006	8%	\$215,750	

**Historical** "Municipal" new property tax revenue generation, including the approved tax increase and new growth:

2021	\$5,993,525	+\$43,018	0.72%	(0% residential / 0% non-residential)
2020	\$5,950,507	+\$16,949	0.29%	(0% residential / -1% non-residential)
2019	\$5,933,558	+\$151,304	2.6%	
2018	\$5,782,254	+\$137,033	2.4%	
2017	\$5,645,221	+\$126,857	2.3%	
2016	\$5,518,364	+\$181,244	3.4%	
2015	\$5,337,120	+\$224,547	4.4%	
2014	\$5,112,573	+\$270,245	5.6%	
2013	\$4,842,328	+\$403,747	9.1%	
2012	\$4,438,581	+\$224,337	5.3%	
2011	\$4,099,128	+\$159,729	3.9%	
	\$115,116	+\$115,116	-	Annexed Properties
2010	\$3,939,399	+\$105,589	2.7%	
2009	\$3,833,810	+\$117,858	3%	
2008	\$3,715,952	+\$362,792	11%	
2007	\$3,353,160	+\$352,551	12%	
2006	\$3,000,609	+\$308,537	11%	
2005	\$2,692,072	+\$177,009	7%	
2004	\$2,515,063	+\$97,883	4%	
2003	\$2,417,181	+\$101,837	4%	

## Municipal Utility Services

### Water Services:

A summary of the projected water rates included in the 2020 - 2022 Interim Operating Budget is as follows:

Year	Rate	Difference	Flate Rate / Month	Botha / m3	Hwy12-21 / m3	SMRWSC / m3	True-up / Estimate
2005	\$0.9000		\$10.00	\$0.9000	\$0.0000	\$0.0000	
2006	\$0.9900	\$0.09	\$10.00	\$0.9900	\$0.8365	\$0.0000	True-up
2007	\$1.0808	\$0.09	\$10.00	\$1.0808	\$1.0955	\$0.0000	True-up
2008	\$1.1717	\$0.09	\$10.00	\$1.1717	\$1.0862	\$0.0000	True-up
2009	\$1.7000	\$0.53	\$10.00	\$1.5500	\$1.0500	\$1.0200	True-up
2010	\$1.7700	\$0.07	\$10.00	\$2.0000	\$1.1800	\$1.2400	True-up
2011	\$2.0100	\$0.24	\$10.00	\$2.0500	\$1.2590	\$1.2880	True-up
2012	\$2.2900	\$0.28	\$10.00	\$2.0670	\$1.3840	\$1.4130	True-up
2013	\$2.5200	\$0.23	\$10.00	\$2.1000	\$1.3200	\$1.3500	True-up
2014	\$2.5900	\$0.07	\$10.00	\$2.1334	\$1.3228	\$1.3673	True-up
2015	\$2.7200	\$0.13	\$10.00	\$2.2272	\$1.3144	\$1.3543	True-up
2016	\$2.7300	\$0.01	\$10.00	\$2.2378	\$1.3429	\$1.3816	True-up
2017	\$2.7800	\$0.05	\$10.00	\$2.2320	\$1.3215	\$1.3617	True-up
2018	\$2.7900	\$0.01	\$10.00	\$0.0000	\$1.3900	\$1.4214	True-up
2019	\$2.8000	\$0.01	\$10.00	\$0.0000	\$1.3356	\$1.3681	True-up
2020	\$2.8200	\$0.02	\$10.00	\$0.0000	\$1.3960	\$1.4420	True-up
2021	\$2.8200	\$0.00	\$10.00	\$0.0000	\$1.3964	\$1.4421	True-up
2022	\$2.8200	\$0.00	\$10.00	\$0.0000	\$1.3960	\$1.4420	Budget
2023	\$2.8400	\$0.02	\$10.00	\$0.0000	\$1.4000	\$1.4500	Budget
2024	\$2.8600	\$0.02	\$10.00	\$0.0000	\$1.4100	\$1.4600	Budget
2025	\$2.8800	\$0.02	\$10.00	\$0.0000	\$1.4200	\$1.4700	Budget

For a typical Stettler residential customer using 17 m<sup>3</sup> per month, water costs are projected to change by the following amounts:

2014	+ \$1.19 per month or \$14.28 per year
2015	+ \$2.21 per month or \$26.52 per year
2016	+ \$0.17 per month or \$2.04 per year
2017	+ \$0.85 per month or \$10.20 per year
2018	+ \$0.17 per month or \$2.04 per year
2019	+ \$0.17 per month or \$2.04 per year
2020	+ \$0.34 per month or \$4.08 per year
2021	+ \$0.00 per month or \$0.00 per year
2022	+ \$0.00 per month or \$0.00 per year
2023	+ \$0.34 per month or \$4.08 per year
2024	+ \$0.34 per month or \$4.08 per year

The water rates model originally prepared by Campbell Ryder and Associates has been updated for 2022 – 2023 estimates as included in this Budget. Administration has updated the Water Model to 2032.

The model allocates budgeted cash expenditures among all internal and external consumer groupings using various sharing mechanisms. The model does not allow for debenture debt repayments (both principal & interest) or capital expenditures however does allow for net depreciation of capital and for a rate of return on net capitalized assets at **8.300%**, actual debt at ACFA borrowing rate – 3.39% (20 year), and deemed debt at a hybrid rate of 4.500%.

The following is a summary of the gross expenditures being forecast in the rate model:

Total Operational Budget Summary	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenditures (per Town Budget)	\$2,743,105	\$2,794,070	\$2,829,677	\$2,816,041	\$3,033,843	\$3,095,880	\$3,092,209	\$3,094,431	\$3,094,476	\$3,103,571
minus - Non Cash Items (Debt, ROE)	-\$511,030	-\$501,780	-\$491,580	-\$488,400	-\$476,520	-\$471,440	-\$461,360	-\$446,170	-\$436,080	-\$403,020
<b>Total Cash Operating Expenditures</b>	<b>\$2,232,075</b>	<b>\$2,292,290</b>	<b>\$2,338,097</b>	<b>\$2,327,641</b>	<b>\$2,557,323</b>	<b>\$2,624,440</b>	<b>\$2,630,849</b>	<b>\$2,648,261</b>	<b>\$2,658,396</b>	<b>\$2,700,551</b>
Net Depreciation	\$300,791	\$288,038	\$300,215	\$297,241	\$299,040	\$298,358	\$300,468	\$293,011	\$292,329	\$288,386
Return on Assets	\$271,000	\$260,000	\$250,000	\$240,000	\$235,000	\$230,000	\$220,000	\$210,000	\$200,000	\$191,000
Return on Debt	\$215,661	\$202,117	\$193,460	\$186,518	\$178,773	\$170,608	\$166,875	\$162,426	\$155,358	\$148,350
<b>Total Gross Cost Allocated in Water Model</b>	<b>\$3,019,527</b>	<b>\$3,042,445</b>	<b>\$3,081,772</b>	<b>\$3,051,400</b>	<b>\$3,270,136</b>	<b>\$3,323,406</b>	<b>\$3,318,192</b>	<b>\$3,313,698</b>	<b>\$3,306,083</b>	<b>\$3,328,287</b>

The consumption estimates projected in the water model and used to calculate customer rates are as follows:

	<b>Actual m<sup>3</sup> Dec 31, 2020</b>	<b>m<sup>3</sup> 2021</b>	<b>m<sup>3</sup> 2022</b>	<b>m<sup>3</sup> 2023+</b>
In-Town Customers (Ave 2615)	597,850 <b>45%</b>	700,000 <b>48.0%</b>	700,000 <b>48.0%</b>	700,000 <b>48.0%</b>
Highway 12/21 Customers	221,779	250,000	250,000	250,000
SMRWSC Customers	<u>506,664</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Total Out-of-Town Customers	728,443 <b>55.0%</b>	750,000 <b>52.0%</b>	750,000 <b>52.0%</b>	750,000 <b>52.0%</b>

With the dissolution of Botha, becoming part of the County of Stettler on September 1, 2017, the consumption for Botha in the water model has been included in the consumption for SWRWSC for 2018 onwards. For simplicity purposes the model does not assume any new growth either in Town or from external customers.

The additions of New Norway and Duhamel have also been included in the consumption amounts for Hwy 12/21 Regional Water Commission. Soon Mirror and Edberg will also be added to the Commission as funding has been allocated from the Provincial Government for regional water lines to be completed.

Our water treatment plant is currently producing at around 1/2 capacity which is considered an uneconomic production level. The good news is that production costs are not directly proportional to higher volumes, therefore higher consumption (in the longer term) should eventually result in more attractive rates. Staffing is a significant cost component that would only marginally increase with substantially higher consumption levels.

Members of Council should be reminded that the rates determined for out of town agencies represent their wholesale cost of purchasing water from the Town. Each must individually add their own distribution, maintenance and administration component costs before determining their price to their ultimate customer.

Utilizing a proven "Water Model" is an approved mechanism for calculating water rates to customers outside your boundaries, and is defensible to the Alberta Energy & Utilities Board.

**Water Conclusion:**

The 2022 - 2024 Interim Operating Budget generates within the Municipal Water Utility the following annual "Cash" contributions towards water capital and other general municipal operations:

	\$2.72 m <sup>3</sup>	\$2.73 m <sup>3</sup>	\$2.78 m <sup>3</sup>	\$2.79 m <sup>3</sup>	\$2.80 m <sup>3</sup>	\$2.82 m <sup>3</sup>	\$2.82 m <sup>3</sup>	\$2.82 m <sup>3</sup>	2.84 m3	2.86 m3
Annual Contributions	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administration Services Recovery	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Debtenture Payments	\$234,030	\$235,780	\$235,580	\$242,400	\$235,520	\$235,440	\$235,360	\$230,170	\$230,080	\$206,020
Water Meter Replacement Capital	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Return on Investment to General (in lieu of Franchise Fee 8.30% of 40% Equity)	\$271,000	\$260,000	\$250,000	\$240,000	\$235,000	\$230,000	\$220,000	\$210,000	\$200,000	\$191,000
Available for Water Capital (in lieu of depreciation)	\$255,725	\$208,632	\$202,716	\$176,314	\$94,969	-\$63,562	\$69,333	\$54,007	\$66,847	\$77,057

**Option: Any change to In-Town consumption rates will further increase or decrease the amount available for water capital purpose: For example, each \$0.01 per m<sup>3</sup> rate increase/decrease results in an annual water revenue budget projection change of \$5,902 based on 590,000 m3 (plus commercial sewer revenue by an additional \$1,160).**

Of note, the \$10 per month flat fee currently recovers 40% (\$298,200 / \$746,438) of the combined Water Billing (\$94,240) and Water Transmission (\$652,198) expenses in the 2022 Operational Budget totaling \$746,438. The remaining 60% of these costs are recovered through In-Town volume consumption rates.

The logic behind incorporating a monthly fixed rate fee is to share equitably amongst all customers those component costs that are considered predominantly fixed and not variable. Our current benchmark is to recover 40% to 50% of the billing and transmission component costs

through the equal fixed fee. For comparison purposes, if our benchmark was increased to 100%, this would no longer be considered equitable as the residential class (with the most customers) would then be charged for 85% of these costs. Conversely if our bench mark was set to zero our variable water rate would increase to **\$3.2702** and this would not be equitable to larger consuming commercial customers.

However, Council should be mindful that any change to the fixed component will generally affect the smallest consumers the most. For illustrative purposes a **\$1 per month fixed increase generates \$29,820** in additional revenue, this is equivalent to a \$0.2263 m<sup>3</sup> volume rate increase on a small household consuming 5 m<sup>3</sup> per month, verses only a \$0.0565 m<sup>3</sup> increase to an average household using 20 m<sup>3</sup> per month.

- \$0.2263 x 5 m<sup>3</sup> x 12 months = \$13.57
- \$0.0565 x 20m<sup>3</sup> x 12 months = \$13.57

**Option: A \$1.00 per month change in the fixed component rate will generate \$29,820 in additional revenue. At \$11 per month the Town would then recover an estimated 43.94% (\$328,020 / \$746,438) of the Billing and transmission costs.**

### Sanitary Sewer Services:

Year	Rate / Month	Increase / Month
2013	\$18.00	
2014	\$19.00	\$1.00
2015	\$21.00	\$2.00
2016	\$21.50	\$0.50
2017	\$22.00	\$0.50
2018	\$22.25	\$0.25
2019	\$22.50	\$0.25
2020	\$22.75	\$0.25
2021	\$22.75	\$0.00
2022	<b>\$22.75</b>	<b>\$0.00</b>
2023	\$23.00	\$0.25
2024	\$23.25	\$0.25
2025	\$23.50	\$0.25

Historically residential flat monthly sewer rates were as follows. Commercial sewer rates are calculated at 40% (Industry Standard - On average 40% of home water use is from the toilet, Canadian Mortgage and Housing) of the monthly water consumption charge or **\$22.75 (2022 proposed rate)** per month, whichever is the greater. Therefore, as water rates increase, commercial properties using more than approximately 20.17 m<sup>3</sup> of water per month will pay more for sewage disposal as well.

The 2022 – 2024 Interim Operating Budget proposes no increase in the flat rate for residential customers. Each \$0.05 increase from the **2022 proposed rate of \$22.75** would generate an additional \$1,234 from residential customers while the \$0.01 per m<sup>3</sup> proposed water rate increase will generate an additional \$1,160 in sewer revenues from commercial properties.

The following is a summary the 2022 sewer revenue forecast by class of customer:

	#		2022 Water Consumption		2022 Sewer Revenue	
Commercial Properties	375	15.4%	275,000 m <sup>3</sup>	46.6%	\$327,120	36.8%
Residential Properties:	2057	84.6%	315,000 m <sup>3</sup>	53.4%	\$561,561	63.2%
	2432		590,000 m <sup>3</sup>		\$888,681	<b>(\$888,681 2022)</b>



A summary of net revenue generated (for capital) within the 2022 – 2024 Interim Operating Budget from municipal sewer utility services is as follows:

	@\$21.00	@\$21.50	@\$22.00	@\$22.25	@\$22.50	@\$22.75	@\$22.75	@\$22.75	@\$23.00	@\$23.25
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Available for Capital Funding	\$260,370	\$262,889	\$224,218	\$193,937	\$226,583	\$263,356	\$243,836	\$229,281	\$238,875	\$252,802

**As a result, the 2022 Interim Operating Budget proposes a \$0.00 increase in the monthly residential sewer rate of \$22.75 per month.**

**Option: each \$0.05 residential rate change from the proposed 2022 rate of \$22.75 per month flat residential sewer charge will impact the budget by \$1,234 per year.**

### Garbage Collection/Landfill Services and Recycling:

#### Garbage Collection (Weekly)

Year	Rate / Month	Increase / Month
2013	\$18.00	
2014	\$19.00	\$1.00
2015	\$21.00	\$2.00
2016	\$21.50	\$0.50
2017	\$22.00	\$0.50
2018	\$22.25	\$0.25
2019	\$22.50	\$0.25
2020	\$22.75	\$0.25
2021	\$22.75	\$0.00
2022	\$22.75	\$0.00
2023	\$23.00	\$0.25
2024	\$23.25	\$0.25
2025	\$23.50	\$0.25

Historically residential flat garbage collection fees were as follows. Each \$0.05 increase from the **2022 proposed rate of \$23.75** would generate an additional \$1,341 from residential customers.

## Stettler Waste Management Association (SWMA) Per Capita

Year	Rate / Month	Increase / Month
2013	\$43.00	
2014	\$46.00	\$3.00
2015	\$52.00	\$6.00
2016	\$58.00	\$6.00
2017	\$61.00	\$3.00
2018	\$62.00	\$1.00
2019	\$65.00	\$3.00
2020	\$65.00	\$0.00
2021	\$65.00	\$0.00
2022	\$68.00	\$3.00
2023	\$71.00	\$3.00
2024	\$74.00	\$3.00
2025	\$77.00	\$3.00

The 2022 Interim Operating Budget also anticipates an \$3.00 increase to the SWMA per Capital of \$68.00 (\$65.00 in 2021) Increase +\$17,856.

Town of Stettler is currently under a 5-year contract with C&S Disposal for Residential collection of garbage (weekly), composting (bin locations) and recycling (bi-weekly) services. The 2022 Budget includes a 2% - \$6516 increase.

	Original Tender - Nov 2019	2020	2021	2022	2023	2024
<b>Garbage Collection:</b>		addition of 13 Tower Rd		2% rate increase	2% rate increase	2% rate increase
Rate per unit:	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.10	\$ 5.20	\$ 5.30
# of Months:	12	12	12	12	12	12
# of Units:	2185	2198	2228	2235	2240	2245
Budget estimate:	\$ 131,100.00	\$ 131,880.00	\$ 133,680.00	\$ 136,782.00	\$ 139,776.00	\$ 142,782.00
<b>Municipal Waste Bins - 14 Bins</b>						
Rate per bin/mo.	\$ 130.00	\$ 130.00	\$ 130.00	\$ 132.60	\$ 135.25	\$ 137.96
# of Months:	12	12	12	12	12	12
Budget estimate:	\$ 21,840.00	\$ 21,840.00	\$ 21,840.00	\$ 22,276.80	\$ 22,722.00	\$ 23,177.28
<b>Municipal Recycling per week</b>						
Rate per bin/mo.	\$ 4.62	\$ 4.62	\$ 4.62	\$ 4.71	\$ 4.80	\$ 4.90
# of Months:	12	12	12	12	12	12
Budget estimate:	\$ 240.24	\$ 240.24	\$ 240.24	\$ 244.92	\$ 249.60	\$ 254.76
<b>Total Contracted Garbage Collection:</b>	\$ 153,180.24	\$ 153,960.24	\$ 155,760.24	\$ 159,303.72	\$ 162,747.60	\$ 166,214.04
	2020	2020	2021	2022	2023	2024
<b>Composting Collection -</b>						
Unit price	\$ 12.00	\$ 12.00	\$ 12.00	\$ 12.24	\$ 12.48	\$ 12.73
# of Pick-up Days / year: (Tuesdays & Thursdays - April 1 to November 11)	64	64	64	64	64	64
# of bins:	23	23	23	23	23	23
Pro Rated Budget Estimate	\$ 17,664.00	\$ 17,664.00	\$ 17,664.00	\$ 18,017.28	\$ 18,370.56	\$ 18,738.56
Year Contract Budget Estimate	\$ 28,704.00	\$ 28,704.00	\$ 28,704.00	\$ 29,278.08	\$ 29,852.16	\$ 30,450.12
	2020	2020	2021	2022	2023	2024
<b>Recycling Collection:</b>						
Unit Price	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.89	\$ 1.93	\$ 1.97
Rate per Month: (Weekly)	\$ 5.89	\$ 6.04	\$ 6.19	\$ 6.35	\$ 6.51	\$ 6.67
# of Months:	12	12	12	12	12	12
# of Units:	2160	2173	2188	2195	2200	2205
Budget Estimate: (Bi-weekly)	\$ 103,896.00	\$ 104,521.30	\$ 105,242.80	\$ 107,862.30	\$ 110,396.00	\$ 112,940.10
Budget Estimate: (Weekly)	\$ 152,781.83	\$ 157,543.89	\$ 162,597.18	\$ 167,195.31	\$ 171,765.57	\$ 176,459.84
Total Yearly Budget - All	\$ 285,780.24	\$ 287,185.54	\$ 289,707.04	\$ 296,444.10	\$ 302,995.76	\$ 309,604.26
Total Yearly Budget - pro-rated Composting	\$ 274,740.24	\$ 276,145.54	\$ 278,667.04	\$ 285,183.30	\$ 291,514.16	\$ 297,892.70
				\$ 6,516.26		\$ 1,485,936.70

**As a result of COVID-19 and the remaining uncertain economic timing, the 2022 Interim Operating Budget proposes a \$0.00 increase in the monthly residential garbage rate of \$23.75 per month.**

A summary of net revenue generated in the 2022 – 2024 Interim Operating Budget from municipal garbage utility services as well as projected rate changes is as follows:

	@\$21.00	@\$22.50	@\$23.00	@\$23.25	@\$23.50	@\$23.75	@\$23.75	@\$23.75	@\$24.00	@\$24.25
Net Landfill and Garbage Operations	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Available for Capital Funding	\$86,789	\$88,686	\$82,767	\$56,677	\$55,605	\$55,158	\$75,945	\$58,092	\$44,810	\$49,122
# of Users	2,170	2,175	2,180	2,185	2,190	2,190	2,228	2,235	2,240	2,245

### Recycling (Bi-weekly)

Year	Rate / Month	Increase / Month
2013	\$6.00	
2014	\$6.00	\$0.00
2015	\$6.00	\$0.00
2016	\$6.00	\$0.00
2017	\$6.25	\$0.25
2018	\$6.25	\$0.00
2019	\$6.50	\$0.25
2020	\$6.50	\$0.00
2021	\$6.50	\$0.00
2022	\$6.50	\$0.00
2023	\$6.75	\$0.25
2024	\$7.00	\$0.25
2025	\$7.25	\$0.25

Historically residential flat recycling collection fees were as follows. Each \$0.05 increase from the **2022 proposed rate of \$6.50** would generate an additional \$1,317 from residential customers.

**As a result, the 2022 Interim Operating Budget proposes no increase in the monthly residential recycling rate from \$6.50 per month.**

A summary of net revenue generated in the 2022 – 2024 Interim Operating Budget from municipal recycling / composting utility services as well as projected rate changes is as follows:

	@\$6.00	@\$6.00	@\$6.25	@\$6.25	@\$6.50	@\$6.50	@\$6.50	@\$6.50	@\$7.00	@\$7.50
Recycling /Composting Operations	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Available for Capital Funding	\$26,399	\$19,210	\$20,280	\$18,510	\$19,665	\$46,636	\$35,927	\$33,501	\$37,533	\$41,101
# of Users	2,135	2,145	2,150	2,160	2,160	2,160	2,188	2,195	2,200	2,205

These net contributions to the overall amount available for capital are based upon maintaining the same levels of service for both programs:

- Curbside residential garbage collection on a weekly basis.
- Curbside residential recycling collection on a bi-weekly basis.

**Option: Each \$0.05 change in monthly residential garbage collection rates will impact the budget by +/- \$1,341 annually.**

**Option: Each \$0.05 change in monthly residential recycling collection rates will impact the budget by +/- \$1,317 annually.**

## 2022 – 2024 Operating Budget Conclusion

	2019	2020	2021	2022	2022	Diff
Assessment	\$265,140	\$265,140	\$264,140		\$265,140	
<b>0% Tax (interim) 2022</b>	\$1,837.63	\$1,856.01	\$1,856.01		\$1,856.01	\$0.00
Water Rate per Cubic Meter Based on 17 M3 per Month - (2017 - \$2.78 / 2018 - \$2.79 / 2019 - \$2.80 / 2020 - \$2.82 / 2021 - \$2.82 / <b>2022 - \$2.82</b> )	\$571.20	\$575.28	\$575.28	<b>\$2.82</b> x 17m3 x 12	\$575.28	\$0.00
Water Fixed Rate - \$10.00 per Month	\$120.00	\$120.00	\$120.00	\$10 x 12	\$120.00	\$0.00
Sewer Fixed Rate per Month - (2017 = \$22.00 / 2018 = \$22.25 2019 = \$22.50 / 2020 = \$22.75 / 2021 - \$22.75 / <b>2022 - \$22.75</b> )	\$270.00	\$273.00	\$273.00	<b>\$22.75</b> x 12	\$273.00	\$0.00
Garbage Fixed Rate per Month - (2017 = \$23.00 / 2018 = \$23.25 / 2019 = \$23.50 / 2020 - \$23.75 / 2021 - \$23.75 / <b>2022 - \$23.75</b> )	\$282.00	\$285.00	\$285.00	<b>\$23.75</b> x 12	\$285.00	\$0.00
Recycling Fixed Rate - (2017 - \$6.25 / 2018 - \$6.25 / 2019 - \$6.50 / 2020 = \$6.50 / 2021 - 6.50 / <b>2022 - \$6.50</b> )	\$78.00	\$78.00	\$78.00	<b>\$6.50</b> x 12	\$78.00	\$0.00
Total	\$3,158.83	\$3,187.29	\$3,187.29		\$3,187.29	\$0.00
	\$90.44	\$28.46	\$0.00		\$0.00	
Overall Percentage Change	2.95%	0.90%	0.00%			0.00%

**Alternative 2022 Incremental Financial Impacts on the Budget and on the Average Residential Customer:**

<u>Incremental Financial Impact on Customer/ Property Owner:</u>	<u>Impact on Interim Budget</u>
Proposed <b>Municipal Tax</b> increase of <b>0%</b>	+\$0
Each <b>1%</b> Municipal Tax Increase	+\$59,935
Proposed <b>Water Rate</b> increase of <b>\$0.00m<sup>3</sup></b> (no change - \$2.82)	+\$0.00
Each \$0.01 <b>Water Rate</b> increase per month	+\$5,902
Generates automatic commercial <b>Sewer Revenue</b>	+\$1,160
Each \$1 fixed <b>Water Rate</b> increase per month = \$12/year	+\$29,820
Proposed <b>Sewer Rate</b> increase of <b>\$0.00</b> (no change - \$22.75)	+\$0.00
Each \$0.05 fixed <b>Sewer Rate</b> increase per month = \$0.60/year/res	+\$1,234
Proposed <b>Garbage Rate</b> increase of <b>\$0.00</b> (no change - \$23.75)	+\$0.00
Each \$0.05 fixed <b>Garbage Rate</b> increase per month = \$0.60 per year	+\$1,341
Proposed <b>Recycling Rate</b> increase of <b>\$0.00</b> (no change - \$6.50)	+\$0.00
Each \$0.05 fixed <b>Recycling Rate</b> increase per month = \$0.60 per year	+\$1,317

**2022 Funding Requests (from property tax base)**

- Stettler Steel Wheel Stampede

**Water, Sewer, Garbage & Recycling  
Net Budget Impacts**

	2019	2020 Post COVID - May 2020	2020 Pre COVID - Dec 2019	2021	2022	2023	2024
	\$10/month plus 590,000 m <sup>3</sup> @ \$2.8000 m <sup>3</sup>	\$10/month plus 590,000 m <sup>3</sup> @ \$2.8200m <sup>3</sup>	\$10/month plus 590,000 m <sup>3</sup> @ \$2.8200m <sup>3</sup>	\$10/month plus 590,000 m <sup>3</sup> @ \$2.8200m <sup>3</sup>	\$10/month plus 590,000 m <sup>3</sup> @ \$2.8200 m <sup>3</sup>	\$10/month plus 590,000 m <sup>3</sup> @ \$2.8400 m <sup>3</sup>	\$10/month plus 590,000 m <sup>3</sup> @ \$2.8600 m <sup>3</sup>
Revenue - Water	\$ 3,128,812	\$ 3,032,318	\$ 3,147,098	\$ 3,147,358	\$ 3,148,438	\$ 3,161,323	\$ 3,180,628
Expenditures - Water	\$ 3,033,843	\$ 3,095,880	\$ 3,095,880	\$ 3,078,025	\$ 3,094,431	\$ 3,094,476	\$ 3,103,571
Net Budget Impact	\$ 94,969	\$ (63,562)	\$ 51,218	\$ 69,333	\$ 54,007	\$ 66,847	\$ 77,057
Net Depreciation, not included	\$ 299,040	\$ 298,358	\$ 298,358	\$ 300,468	\$ 293,011	\$ 297,329	\$ 293,386
Debenture Principal, included	\$ 148,220	\$ 154,780	\$ 154,780	\$ 161,640	\$ 163,700	\$ 170,890	\$ 154,000
Plus R.O.I. Included in Exp.	\$ 235,000	\$ 230,000	\$ 230,000	\$ 220,000	\$ 210,000	\$ 200,000	\$ 191,000
Debenture Interest, included in Exp.	\$ 87,300	\$ 80,660	\$ 80,660	\$ 73,720	\$ 66,470	\$ 59,190	\$ 52,020
	2019	2020	2020	2021	2022	2023	2024
	@ \$22.50/month	@ \$22.75/month	@ \$22.75/month	@ \$22.75/month	@ \$22.75/month	@ \$23.00/month	@ \$23.25/month
Revenue - Sewer	\$ 941,490	\$ 905,963	\$ 950,675	\$ 950,701	\$ 950,701	\$ 956,912	\$ 965,043
Expenditures - Sewer	\$ 714,907	\$ 642,607	\$ 642,607	\$ 706,865	\$ 721,420	\$ 718,037	\$ 712,241
Net Budget Impact	\$ 226,583	\$ 263,356	\$ 308,068	\$ 243,836	\$ 229,281	\$ 238,875	\$ 252,802
Debenture Princ & Int	\$ 226,280	\$ 160,940	\$ 160,940	\$ 160,900	\$ 160,860	\$ 153,500	\$ 153,470
	2019	2020	2020	2021	2022	2023	2024
	2190/month	2190/month	2190/month	2228/month	2235/month	2240/month	2245/month
	@ \$23.50/month	@ \$23.75/month	@ \$23.75/month	@ \$23.75/month	@ \$23.75/month	@ \$24.00/month	@ \$24.25/month
Revenue - Garbage	\$ 648,725	\$ 655,790	\$ 655,790	\$ 666,125	\$ 668,602	\$ 677,240	\$ 685,918
Expenditures - Garbage	\$ 593,120	\$ 600,632	\$ 642,566	\$ 590,180	\$ 610,510	\$ 632,430	\$ 636,796
Net Budget Impact	\$ 55,605	\$ 55,158	\$ 13,224	\$ 75,945	\$ 58,092	\$ 44,810	\$ 49,122
	2019	2020	2020	2021	2022	2023	2024
	2160	2160	2160	2188	2195	2200	2205
	@ \$6.50/month	@ \$6.50/month	@ \$6.50/month	@ \$6.50/month	@ \$6.50/month	@ \$6.75/month	@ \$7.00/month
Revenue - Recycling	\$ 168,480	\$ 168,870	\$ 168,870	\$ 170,664	\$ 171,210	\$ 178,200	\$ 184,800
Expenditures - Recycling/Compost	\$ 148,815	\$ 122,234	\$ 151,450	\$ 134,737	\$ 137,709	\$ 140,667	\$ 143,699
Net Budget Impact	\$ 19,665	\$ 46,636	\$ 17,420	\$ 35,927	\$ 33,501	\$ 37,533	\$ 41,101
<b>Combined Net Budget Impact:</b>	\$ 396,822	\$ 301,588	\$ 389,930	\$ 425,041	\$ 374,881	\$ 388,065	\$ 420,082
	\$ 679,528	\$ 247,659	\$ 635,497	\$ 318,422	\$ 323,472	\$ 425,601	\$ 502,129
	\$ 1,076,350	\$ 549,247	\$ 1,025,427	\$ 743,463	\$ 698,353	\$ 813,666	\$ 922,211
1/2% Municipal Tax Increase		\$ 29,968					
\$.01 increase in Municipal Water		\$ 5,902					
\$1 increase in Flat Fee Municipal WATER		\$ 29,820					
\$.01 increase in Municipal Water (COM SEWER)		\$ 1,160					
\$.05 increase in Flat Fee Municipal SEWER		\$ 1,234					
\$.05 increase in Flat Fee Municipal GARBAGE		\$ 1,341					
\$.05 increase in Flat Fee Municipal RECYCLING		\$ 1,317					

## 2022 Budget Summary

Revenue	2021 Operating Budget <b>May 2021</b> (not included \$645,000 Operating Capital Budget)	2022 Interim Operating Budget (no operating capital budget)	Variance	%	Notes
Administration	\$280,020.00	\$272,020.00	-\$8,000.00	-2.86%	No Whitesands contract
Inter Dept Utility Transfer - \$250,000)					
Police	\$495,308.00	\$548,804.00	\$53,496.00	10.80%	SRO - full year
Traffic Fines - Budget - \$60,000					
Provincial Grant - \$347,208					
Community Resource Program - (Clearview 33% / County 33%+ = \$83,356 - 2021 - \$28,917 (4 months)					
Fire	\$449,247.00	\$452,321.00	\$3,074.00	0.68%	
Disaster Services	\$0.00	\$0.00	\$0.00		
Bylaw Enforcement	\$109,950.00	\$109,950.00	\$0.00	0.00%	
Business Licenses Budget - \$86,250 / Animal License Budget \$21,700					
Roads, Streets, Walks, Lights	\$63,800.00	\$64,535.00	\$735.00	1.15%	
Airport	\$10,880.00	\$10,880.00	\$0.00	0.00%	
Drainage	\$0.00	\$0.00	\$0.00	0.00%	
Water Supply & Distribution	\$3,147,358.00	\$3,148,438.00	\$1,080.00	0.03%	
Metered sale of water (Budget - \$1,962,728)					
Metered out of Town (Budget - \$1,070,000)					
Bulk water (Budget - \$40,000)					
Sewer	\$950,701.00	\$950,701.00	\$0.00	0.00%	
Sewer Service Charges (Budget - \$888,681)					
Garbage Collection & Disposal	\$836,789.00	\$839,812.00	\$3,023.00	0.36%	SWMA haul rebate - \$26,619
Residential Garbage Revenue (2022 Budget - \$636,975 / 2021 Budget - \$634,980 - \$1,995 - increase in residential customers)					
Recycling Revenue (Budget 2022 - \$171,210 / 2021 Budget - \$170,664 = \$546 - Recycling rebate - \$24,627-\$24-145 = \$482)					
FCSS	\$157,148.00	\$157,148.00	\$0.00	0.00%	
Cemetery	\$23,600.00	\$23,600.00	\$0.00	0.00%	
Planning & Development	\$44,500.00	\$44,500.00	\$0.00	0.00%	
Building Permits (Budget - \$30,000)					
Economic Development - BOT	\$232,125.00	\$137,420.00	-\$94,705.00	-40.80%	Pheasant Festival (own group)
Subdivision Land	\$2,000.00	\$2,000.00	\$0.00	0.00%	Subdivision Fees
Land, Housing & Rentals	\$282,015.00	\$278,580.00	-\$3,435.00	-1.22%	
AE Kennedy Health Unit - \$205,300 (\$900 inc)					
Ambulance Station - \$20,100					
SRC - Library - Budget - \$42,000					
Recreation - General	\$3,000.00	\$3,000.00	\$0.00	0.00%	
Recreation Programs	\$22,700.00	\$26,190.00	\$3,490.00	15.37%	Ball / Soccer / storage rentals
Facilities	\$952,732.00	\$1,009,465.00	\$56,733.00	5.95%	County / Pool / SRC Rev (Covid)
Community Hall	\$30,000.00	\$40,000.00	\$10,000.00	33.33%	rental increase
Senior's Center	\$20,875.00	\$22,875.00	\$2,000.00	9.58%	Seniors dropin fee usage increase
Parks	\$115,650.00	\$120,650.00	\$5,000.00	4.32%	
Lions Campground - Budget - \$120,000 (\$5,000 Inc)					
Operating Contingency	\$4,529.00	\$0.00	-\$4,529.00	0.00%	
Taxes / Penalties	\$8,677,404.00	\$8,737,622.00	\$60,218.00	0.69%	growth - \$22,782 / +seniors / asff
Other Revenue	\$1,938,350.00	\$2,078,400.00	\$140,050.00	7.23%	
Franchise Fee - GAS (Budget - \$1,065,000 / \$62,050 Increase)					
Franchise Fee - ELECTRIC (Budget - \$805,000 / \$78,000 Increase)					
Return on Investments (Budget - \$140,000)					
<b>Total Revenue</b>	<b>\$18,850,681.00</b>	<b>\$19,078,911.00</b>	<b>\$228,230.00</b>	<b>1.21%</b>	

Expense	2021 Operating Budget May 2021 (not included \$645,000 Operating Capital Budget)	2022 Interim Operating Budget (no operating capital budget)	Variance	%	Notes
Council & Legislative	\$221,630.00	\$222,640.00	\$1,010.00	0.46%	
Council Honorarium (Budget - \$153,640)					
Council per diem - Budget - \$27,000					
Council travel & subsistence - Budget - \$22,000)					
Council membership Conferences (Budget - \$16,000)					
Administration	\$1,294,932.00	\$1,234,618.00	-\$60,314.00	-4.66%	Salary adj, Election
Police	\$1,264,942.00	\$1,277,089.00	\$12,147.00	0.96%	
RCMP - Contract Billings (2022 Budget - \$1,87,211 / 2021 Budget - \$1,080,481 = \$6,730 / Adm salary increase					
Fire	\$894,059.00	\$917,264.00	\$23,205.00	2.60%	Honorariums , Foam
Disaster Services	\$33,080.00	\$33,530.00	\$450.00	1.36%	County Director of Emergency Man
Bylaw Enforcement	\$192,716.00	\$196,777.00	\$4,061.00	2.11%	Contract Increase
Common Services	\$156,733.00	\$159,815.00	\$3,082.00	1.97%	Operational Increase
Roads, Streets, Walks, Lights	\$1,932,829.00	\$1,949,578.00	\$16,749.00	0.87%	Street lights, traffic signals
Airport	\$47,635.00	\$49,187.00	\$1,552.00	3.26%	Operational Increase
Water Supply & Distribution	\$3,078,025.00	\$3,094,431.00	\$16,406.00	0.53%	
Sewer	\$706,865.00	\$721,420.00	\$14,555.00	2.06%	Chemicals, Utilities,
Garbage Collection & Disposal	\$724,917.00	\$748,219.00	\$23,302.00	3.21%	Hauling Contract / SWMA Req
FCSS	\$196,435.00	\$196,435.00	\$0.00	0.00%	
Cemetery	\$65,790.00	\$64,290.00	-\$1,500.00	-2.28%	
Planning & Development	\$330,035.00	\$421,345.00	\$91,310.00	27.67%	Salary Adjustments
Comm Services -Handi Bus	\$25,000.00	\$25,000.00	\$0.00	0.00%	
Economic Development	\$679,030.00	\$587,646.00	-\$91,384.00	-13.46%	BOT Projects (pheasant festival)
Subdivison Land	\$55,820.00	\$56,620.00	\$800.00	1.43%	Operational Increase (salary)
Land, Housing & Rentals	\$44,890.00	\$44,760.00	-\$130.00	-0.29%	
Recreation - General	\$151,470.00	\$144,025.00	-\$7,445.00	-4.92%	Software Maintenance
Recreation Programs	\$84,740.00	\$83,320.00	-\$1,420.00	-1.68%	Operational decrease (wellness)
Facilities	\$2,375,397.00	\$2,507,648.00	\$132,251.00	5.57%	Operational Increase (utilities)
Culture	\$334,162.00	\$354,497.00	\$20,335.00	6.09%	Library - \$11625, Museum - \$8000
Community Hall	\$107,546.00	\$107,397.00	-\$149.00	-0.14%	
Senior's Center	\$13,330.00	\$13,280.00	-\$50.00	-0.38%	
Parks	\$630,581.00	\$658,412.00	\$27,831.00	4.41%	Operational Increase (salary, mater
Operating Contingency	-\$220,000.00	-\$210,000.00	\$10,000.00	-4.55%	WTP Gross Recovery, Tran to Res
WTP gross recovery - (\$210,000) (JE made at end of year prior to Audit)					
Available for Capital from 2022 Operating Budget for 2022 Capital Budget - \$698,353 (Water \$54,007 + Utility \$320,874 (sewer, waste, recycling) + Total Available for Capital - \$323,472) = \$698,353					
Requisitions	\$2,684,629.00	\$2,721,315.00	\$36,686.00	1.37%	ASFF - 1% / Seniors - 2%
ASFF - Budget - \$2,168,932					
ASFF Separate School - Budget - \$178,725					
County of Stettler Senior Lodges (2022 Budget - \$375,474 / 2021 Budget \$368,112)					
<b>Total Expense</b>	<b>\$18,107,218.00</b>	<b>\$18,380,558.00</b>	<b>\$273,340.00</b>	<b>1.51%</b>	
<b>Surplus / Deficit</b>	<b>\$743,463.00</b>	<b>\$698,353.00</b>	<b>-\$45,110.00</b>		



# Municipal Utility Comparison Summary

20.00 m³	Totals		Water			Sanitary Sewer			Waste			Year Bylaw Update d	Population	
Municipality	Typical User /month	Typical User per year	Minimum or Fixed Charge /month	/m³	Water Total /month	Minimum or Fixed Charge /month	/m³	Sanitary Sewer Total /month	Storm Sewer /month	Gener al Admin Fee	Solid Waste /month	Recycling /month	Yard Waste (Comp osting) /month	
<b>Mean:</b>	\$128.01	\$1,536.15	\$24.38	\$2.45	\$67.47	\$18.58	\$1.56	\$35.37	\$7.16	\$4.49	\$20.44	\$6.00	\$5.43	20,183
<b>Median (220):</b>	\$130.17	\$1,562.04	\$22.31	\$2.33	\$62.55	\$16.89	\$1.45	\$30.41	\$5.79	\$5.00	\$19.80	\$5.55	\$5.64	2,026
Bonnyville	\$79.27	\$951.24	\$12.63	\$1.88	\$50.28		\$0.63	\$12.55			\$12.90	\$3.54		2020 5,417
St Paul	\$86.76	\$1,041.12	\$14.38	\$1.60	\$46.38	\$8.38	\$0.80	\$24.38			\$13.50	\$2.50		2019 5,827
Delburne	\$90.54	\$1,086.48	\$28.35	\$1.45	\$57.35	\$13.50		\$13.50			\$16.00	\$3.69		2021 892
Crowsnest Pass	\$92.04	\$1,104.48	\$33.86		\$33.86	\$33.86		\$33.86			\$24.32			2020 5,665
Vegreville	\$101.37	\$1,216.44	\$5.50	\$3.25	\$70.50	\$4.70	\$0.39	\$5.87	\$6.00	\$5.00	\$7.00	\$7.00		2021 5,708
Bawlf	\$101.80	\$1,221.60	\$51.30		\$51.30	\$32.00		\$32.00			\$13.00	\$5.50		2021 422
Barnhead	\$105.12	\$1,261.41	\$51.05	\$2.46	\$67.05	\$17.87		\$23.47			\$14.60			2020 4,579
Big Valley	\$107.50	\$1,290.00	\$25.00	\$2.70	\$79.00	\$20.00		\$20.00			\$8.50			2021 346
Banff	\$108.49	\$1,301.92	\$5.26	\$1.00	\$25.26	\$15.90	\$2.40	\$63.90			\$19.33			2021 7,851
Drumheller	\$110.09	\$1,321.06	\$16.25	\$2.07	\$57.65	\$13.88	\$2.23	\$49.59				\$2.85		2021 7,982
Sedgewick	\$115.20	\$1,382.40	\$13.36	\$1.74	\$48.16	\$34.37		\$34.37			\$32.67			2021 811
Killam	\$118.50	\$1,422.00	\$22.50	\$1.40	\$50.50	\$20.00	\$0.70	\$34.00			\$34.00			2019 989
Stettler	\$119.40	\$1,432.80	\$10.00	\$2.82	\$66.40	\$22.75		\$22.75			\$23.75	\$6.50		2021 5,952
Stettler	\$119.40	\$1,432.80	\$10.00	\$2.82	\$66.40	\$22.75		\$22.75			\$23.75	\$6.50		2022 5,952
Red Deer	\$123.69	\$1,484.28	\$16.25	\$1.60	\$48.25	\$19.25	\$1.60	\$48.05			\$22.92	\$4.47		2021 100,418
Veteran	\$125.00	\$1,500.00	\$15.00	\$3.60	\$87.00	\$14.00		\$14.00			\$24.00			2020 207
Trochu	\$128.80	\$1,545.60	\$15.00	\$3.54	\$85.80	\$5.00	\$0.80	\$21.00			\$17.50	\$4.50		2021 1,058
Donalda	\$129.00	\$1,548.00	\$25.00	\$3.50	\$95.00	\$11.00		\$11.00			\$23.00			2021 219
Redcliff	\$129.07	\$1,548.84	\$45.58	\$1.06	\$68.78	\$37.85		\$37.85			\$24.44			2021 5,600
Hanna	\$130.55	\$1,566.60	\$27.50	\$2.89	\$85.30	\$15.00	\$0.30	\$21.00			\$24.25			2021 2,559
Carstairs	\$133.40	\$1,600.80	\$14.00	\$2.75	\$69.00		\$1.65	\$41.40			\$23.00			2021 4,077
Camrose	\$133.60	\$1,603.20	\$26.94	\$1.96	\$66.08	\$26.45	\$0.85	\$43.51			\$15.21	\$6.00	\$2.80	2021 18,742
Rocky Mtn House	\$134.22	\$1,610.64	\$29.75	\$1.64	\$62.55	\$14.15	\$1.50	\$44.15			\$27.52			2021 6,635
Westlock	\$137.50	\$1,650.00	\$20.50	\$2.91	\$78.70	\$7.50	\$0.87	\$24.96	\$3.00	\$2.00	\$28.84			2020 5,101
Ponoka	\$138.20	\$1,658.40	\$19.94	\$2.75	\$74.94	\$22.07	\$0.72	\$36.47			\$20.12	\$6.67		2021 7,229
Slave Lake	\$140.63	\$1,687.56	\$30.03	\$1.80	\$66.03	\$24.11	\$1.45	\$53.11			\$15.05	\$6.44		2020 6,651
Drayton Valley	\$140.95	\$1,691.40	\$20.25	\$2.10	\$62.25		\$2.75	\$55.00		\$4.70	\$19.00			2020 7,235
Didsbury	\$143.20	\$1,718.40	\$14.00	\$2.50	\$64.00	\$15.00	\$1.96	\$54.20			\$9.60	\$7.70	\$7.70	2020 5,268
Sylvan Lake	\$143.49	\$1,721.88	\$37.91	\$0.80	\$53.91	\$24.33	\$2.50	\$64.33			\$19.00	\$6.25		2020 14,816
Castor	\$144.05	\$1,728.56	\$70.00	\$3.30	\$91.05	\$30.00		\$30.00			\$23.00			2020 929
Wainwright	\$144.16	\$1,729.92	\$18.25	\$3.14	\$81.05	\$19.50	\$0.97	\$36.96	\$5.00		\$14.50	\$6.65		2021 6,270
Coronation	\$145.00	\$1,740.00	\$49.00	\$3.00	\$109.00	\$20.50		\$20.50			\$15.50			2021 940
Bashaw	\$146.05	\$1,752.60	\$25.00	\$3.16	\$88.20	\$20.00		\$44.10			\$13.75			2019 830
Peace River	\$147.13	\$1,765.56	\$8.53	\$4.67	\$101.93		\$1.41	\$28.20			\$17.00			2020 6,842
Consort	\$148.63	\$1,783.54	\$42.25	\$4.60	\$108.63	\$12.00		\$12.00			\$28.00			2019 729
Jasper	\$149.16	\$1,789.86	\$20.00	\$1.41	\$48.20		\$2.58	\$51.60		\$6.66	\$27.14	\$15.56		2021 5,236
Three Hills	\$149.50	\$1,794.00	\$17.50	\$3.35	\$84.50	\$21.50	\$0.95	\$40.50			\$17.50	\$7.00		2021 3,212
Devon	\$151.26	\$1,815.12	\$13.46	\$1.55	\$44.46	\$33.60	\$1.76	\$68.80	\$8.00		\$30.00			2021 6,578
Penhold	\$153.85	\$1,846.20	\$15.40	\$1.39	\$43.20	\$12.00	\$3.57	\$83.40	\$4.25		\$23.00			2021 3,277
Bowden	\$164.00	\$1,968.00	\$10.00	\$3.00	\$70.00	\$10.00	\$3.10	\$72.00			\$11.00	\$11.00		2021 1,240
Innisfail	\$169.00	\$2,028.00	\$10.00	\$2.60	\$62.00	\$10.00	\$3.45	\$79.00	\$3.00		\$20.00	\$5.00		2021 7,847
Vermilion	\$169.97	\$2,039.64	\$36.36	\$3.52	\$106.76	\$10.12	\$1.57	\$41.52			\$18.60	\$3.09		2021 4,084
Daysland	\$186.78	\$2,241.36	\$49.33	\$1.80	\$85.33	\$45.05	\$0.77	\$60.45			\$38.00	\$3.00		2021 824
Lacombe	\$175.57	\$2,106.84	\$27.82	\$2.56	\$79.02	\$20.79	\$2.75	\$64.79			\$31.76			2021 13,057
Blackfalds	\$177.27	\$2,127.24	\$28.22	\$2.77	\$83.62	\$14.88	\$3.12	\$64.80			\$28.85			2021 9,328
Alix	\$198.38	\$2,380.56	\$35.00	\$3.06	\$96.20	\$26.25	\$2.25	\$71.25			\$25.00	\$5.93		2020 734
Olds	\$203.93	\$2,447.16	\$12.83	\$2.89	\$70.63	\$18.40	\$4.53	\$109.00			\$24.30			2021 9,184

**Legend:**  
 population 4090-8000  
 pop'n and regional  
 comparable  
 regional comparables