

MEMORANDUM

To: Stettler Town Council
From: Administration
Date: December 12, 2023
Re: 2024 – 2026 Interim Operating Budget



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 2024 Operating Budget will not be adopted until May 2024, 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.

2024-2026 recommended budget summary from Council Budget Deliberations on December 12, 2023:

- Proposed **Municipal Tax - 3% increase** (\$189,056 Tax / \$30,990 Growth)
- Proposed **Water Rate - \$0.1477m³ Increase** (\$3.0454 / \$2.8977) (\$87,901)
- Proposed **Sewer Rate - \$0.25 increase** (\$23.25 / \$23.00) (\$7,539)
- Proposed **Garbage Rate - \$0.25 Increase** (\$24.50 / \$24.25) (\$6,720)
- Proposed **Recycling Rate - \$0.25 Increase** (\$7.00 / \$6.75) (\$6,600)
- Proposed Financial Impact on Average Residential Customer (municipal only - \$97.04 – 2023 \$102.09) – 2024 2.95% / 2023 3.20%

What is the result on "Available for Capital" from a proposed tax increase.....

Budget	2022 Water	\$2.82		2022 Sewer	\$22.75								
Assumptions:	2023 Water	\$2.8977		2023 Sewer	\$23.00								
	2024 Water	\$3.0454		2024 Sewer	\$23.25								
	2025 Water	\$3.0459		2025 Sewer	\$23.50								
	2022 Waste	\$23.75		2022 Recycle	\$6.50								
	2023 Waste	\$24.25		2023 Recycle	\$6.75								
	2024 Waste	\$24.50		2024 Recycle	\$7.00								
	2025 Waste	\$24.75		2025 Recycle	\$7.25								
2024 Tax Percentage (%) Increase	2021 Budget - Available for Capital	2022 Budget - Available for Capital	2023 Budget - Available for Capital	2024 Budget - Available for Capital	Difference - 2024 - 2023	2024 Budget - Total Tax Collected	2025 Budget - Total Tax Collected	2026 Budget - Total Tax Collected	2024 Budget - Sample Property Increase	2024 Budget - Sample Property Percentage (%)	2025 Budget - Available for Capital (based on 3% tax increase in 2025)	2026 Budget - Available for Capital (based on 3% tax increase in 2026)	
0.0	\$743,463	\$699,571	\$779,858	\$693,863	-\$85,996	\$6,332,861	\$6,569,152	\$6,818,797	\$39.13	1.19%	\$685,689	\$832,632	
0.5	\$743,463	\$699,571	\$779,858	\$725,373	-\$54,486	\$6,364,371	\$6,601,607	\$6,852,225	\$48.78	1.48%	\$718,144	\$866,060	
1.0	\$743,463	\$699,571	\$779,858	\$756,882	-\$22,977	\$6,395,880	\$6,634,061	\$6,885,653	\$58.43	1.78%	\$750,598	\$899,488	
1.5	\$743,463	\$699,571	\$779,858	\$788,391	\$8,533	\$6,427,389	\$6,666,516	\$6,919,082	\$68.09	2.07%	\$783,053	\$932,917	
2.0	\$743,463	\$699,571	\$779,858	\$819,901	\$40,043	\$6,458,899	\$6,698,971	\$6,952,510	\$77.74	2.36%	\$815,508	\$966,345	
2.5	\$743,463	\$699,571	\$779,858	\$851,410	\$71,552	\$6,490,408	\$6,731,425	\$6,985,937	\$87.39	2.66%	\$847,962	\$999,772	
3.0	\$743,463	\$699,571	\$779,858	\$882,919	\$103,061	\$6,521,917	\$6,763,880	\$7,019,366	\$97.04	2.95%	\$880,417	\$1,033,201	
3.5	\$743,463	\$699,571	\$779,858	\$914,429	\$134,571	\$6,553,427	\$6,796,335	\$7,052,795	\$106.69	3.24%	\$912,872	\$1,066,630	
4.0	\$743,463	\$699,571	\$779,858	\$945,938	\$166,080	\$6,584,936	\$6,828,789	\$7,086,223	\$116.34	3.54%	\$945,326	\$1,100,058	
4.5	\$743,463	\$699,571	\$779,858	\$977,448	\$197,590	\$6,616,446	\$6,861,244	\$7,119,651	\$125.99	3.83%	\$977,781	\$1,133,486	
5.0	\$743,463	\$699,571	\$779,858	\$1,008,957	\$229,099	\$6,647,955	\$6,893,699	\$7,153,079	\$135.64	4.12%	\$1,010,236	\$1,166,914	
5.5	\$743,463	\$699,571	\$779,858	\$1,040,466	\$260,608	\$6,679,464	\$6,926,153	\$7,186,508	\$145.30	4.42%	\$1,042,690	\$1,200,343	
6.0	\$743,463	\$699,571	\$779,858	\$1,071,976	\$292,118	\$6,710,974	\$6,958,608	\$7,219,936	\$154.95	4.71%	\$1,075,145	\$1,233,771	
6.5	\$743,463	\$699,571	\$779,858	\$1,103,485	\$323,627	\$6,742,483	\$6,991,062	\$7,253,364	\$164.60	5.00%	\$1,107,599	\$1,267,199	
7.0	\$743,463	\$699,571	\$779,858	\$1,134,994	\$355,136	\$6,773,992	\$7,023,517	\$7,286,793	\$174.25	5.30%	\$1,140,054	\$1,300,628	
7.5	\$743,463	\$699,571	\$779,858	\$1,166,504	\$386,646	\$6,805,502	\$7,055,972	\$7,320,221	\$183.90	5.59%	\$1,172,509	\$1,334,056	
8.0	\$743,463	\$699,571	\$779,858	\$1,198,013	\$418,155	\$6,837,011	\$7,088,426	\$7,353,649	\$193.55	5.88%	\$1,204,963	\$1,367,484	
8.5	\$743,463	\$699,571	\$779,858	\$1,229,522	\$449,664	\$6,868,520	\$7,120,881	\$7,387,077	\$203.20	6.18%	\$1,237,418	\$1,400,912	
9.0	\$743,463	\$699,571	\$779,858	\$1,261,032	\$481,174	\$6,900,030	\$7,153,336	\$7,420,506	\$212.85	6.47%	\$1,269,873	\$1,434,341	
9.5	\$743,463	\$699,571	\$779,858	\$1,292,540	\$512,682	\$6,931,539	\$7,185,790	\$7,453,934	\$222.51	6.76%	\$1,302,327	\$1,467,769	
10.0	\$743,463	\$699,571	\$779,858	\$1,324,050	\$544,192	\$6,963,048	\$7,218,245	\$7,487,362	\$232.16	7.06%	\$1,334,782	\$1,501,197	
			1/2% Municipal Tax Increase	\$31,509							\$32,455	\$33,428	

A snap shot of the 2024 Interim Budget.....

Town of Stettler							
2024 Major Budget Changes from 2023.							
3% - Tax Increase / Utility Increase to Water - \$0.1477(Town), Regional Water - \$0.0475 & \$0.0339, Sewer - \$0.25, Waste - \$0.25 and Recycling - \$0.25							
Revenues							
% Change	Difference from 2024 Budget to 2023 Budget	2024 Interim Operating Budget	2023 Operating Budget - May 2023 (not include \$2,089,807 Operating Capital Budget)	2022 Operating Budget - May 2022 (not include \$1,108,000 Operating Capital Budget)	2021 Operating Budget - May 2021 (not include \$645,000 Operating Capital Budget)	2020 Post COVID (Tax Budget - May 2020)	
3.04%	\$609,622	\$20,694,174	\$20,084,552	\$19,131,289	\$18,850,681	\$18,240,375	
		Difference (negative = loss)	2024	2023	2022	2021	2020 Post Covid (May 2020)
Revenues							
	Taxes (Municipal)	\$220,046	\$6,521,917	\$6,301,871	\$6,010,688	\$5,992,775	\$5,946,200
	Seniors Housing	\$7,466	\$380,766	\$373,300	\$372,673	\$368,112	\$349,746
	FCSS (Provincial Funding)	\$7,072	\$164,220	\$157,148	\$157,148	\$157,148	\$157,148
	AE Kennedy - Rental	\$6,445	\$212,679	\$206,234	\$205,300	\$204,400	\$201,631
	Return on Investment	\$460,000	\$600,000	\$140,000	\$294,119	\$70,302	\$93,584
	School Resource Officer (SRO)	\$5,414	\$110,216	\$104,802	\$83,356	\$28,917	\$0
	Fire - County Agreement	-\$343,878	\$105,512	\$449,390	\$390,068	\$384,459	\$341,078
	Water - Town	\$87,901	\$2,099,132	\$2,011,231	\$1,962,728	\$1,961,648	\$1,879,608
	Water - Regional	\$32,225	\$1,182,500	\$1,150,275	\$1,070,000	\$1,070,000	\$1,070,000
	Sewer	\$24,672	\$951,721	\$927,049	\$888,681	\$888,681	\$855,943
	Waste	\$6,720	\$658,560	\$651,840	\$636,975	\$634,980	\$623,438
	Recycling	\$6,600	\$184,800	\$178,200	\$171,210	\$170,664	\$168,870
	Franchise Fee (Gas)	\$2,930	\$1,218,960	\$1,216,030	\$1,065,000	\$1,002,950	\$936,000
	Franchise Fee (Power)	\$56,322	\$820,322	\$764,000	\$805,000	\$727,000	\$712,000
	Lions Campground	\$10,000	\$130,000	\$120,000	\$120,000	\$115,000	\$68,158
	County - Recreation Agreement	\$28,032	\$480,432	\$452,400	\$439,600	\$431,500	\$431,500
	Total Revenue Changes	\$617,967					
Expenses							
% Change	Difference from 2024 Budget to 2023 Budget	2024 Interim Operating Budget	2023 Operating Budget - May 2023 (not include \$2,089,807 Operating Capital Budget)	2022 Operating Budget - May 2022 (not include \$1,108,000 Operating Capital Budget)	2021 Operating Budget - May 2021 (not include \$645,000 Operating Capital Budget)	2020 Post COVID - Tax Budget - May 2020	
2.62%	\$506,561	\$19,811,255	\$19,304,694	\$18,431,718	\$18,107,218	\$17,691,128	
		Difference (negative = reduction)	2024	2023	2022	2021	2020 Post Covid (May 2020)
Expenses							
	RCMP Contract	\$255,591	\$1,675,155	\$1,419,564	\$1,087,211	\$1,080,481	\$956,072
	Natural Gas (Carbon tax)	\$4,428	\$347,144	\$342,716	\$236,916	\$201,464	\$179,822
	Power - new rate	\$109,934	\$1,063,007	\$953,073	\$968,355	\$830,097	\$838,489
	Water Supply & Distribution - WTP - utility \$28,286 - WTS repairs \$12,000, Ins \$2000 - Wtrans salary \$26,030, equip repair \$35,000	\$100,286	\$3,334,666	\$3,234,380	\$3,094,431	\$3,078,025	\$3,095,880
	SWMA Requisition	\$17,856	\$440,448	\$422,592	\$404,736	\$386,880	\$386,880
	Waste Collection	\$5,968	\$199,937	\$193,969	\$181,840	\$173,424	\$171,624
	Recycling Collection	\$3,693	\$121,560	\$117,867	\$110,469	\$105,243	\$104,521
	Total Expense Changes	\$497,756					
Amount Available for Capital							
% Change	Difference from 2023 Budget to 2022 Budget	2024 Interim Operating Budget	2023 Operating Budget - May 2023 (not include \$2,089,807 Operating Capital Budget)	2022 Operating Budget - May 2022 (not include \$1,103,000 Operating Capital Budget)	2021 Operating Budget - May 2021 (not include \$645,000 Operating Capital Budget)	2020 Post COVID - Tax Budget - May 2020	
13.22%	\$103,061	\$882,919	\$779,858	\$699,571	\$743,463	\$549,247	

A closer look by departments.....

Revenue	2020 Pre Covid Interim Budget - December 2019	2020 Post Covid - May 2020 (pre capital budget)	2021 Operating Budget May 2021 (not included \$645,000 Operating Capital Budget)	2022 Interim Operating Budget - May 2022 (not included \$1,108,000 operating capital budget)	2023 Interim Operating Budget - May 2023 (not included \$2,089,807 operating capital budget)	2024 Interim Operating Budget (no operating capital budget)	Variance	%	Notes
Administration	\$317,333	\$317,333	\$280,020.00	\$272,020.00	\$272,020.00	\$272,020.00	\$0.00	0.00%	
Inter Dept Utility Transfer - \$250,000									
Police	\$565,466	\$520,024	\$495,308.00	\$548,804.00	\$873,314.00	\$778,728.00	-\$94,586.00	-10.83%	Trans from RCMP Res - 2024 - \$150,000
Traffic Fines - Budget - \$60,000									Trans from RCMP Res - 2023 - \$250,000
Provincial Grant - \$347,616									
Community Resource Program - \$110,216 (Clearview - \$40,000 / County - \$70,216) / 2023 - \$104,802 Total (\$5,414)									
Fire	\$408,427	\$402,577	\$449,247.00	\$452,321.00	\$515,811.00	\$172,561.50	-\$343,249.50	-66.55%	Town / County Fire Agreement
Disaster Services	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	
Bylaw Enforcement	\$109,950	\$109,950	\$109,950.00	\$109,950.00	\$113,700.00	\$113,700.00	\$0.00	0.00%	Business Lic # inc
Business Licenses Budget - \$90,000 - 2023 - \$90,000 / Animal License Budget \$21,700									
Roads, Streets, Walks, Lights	\$64,535	\$64,535	\$63,800.00	\$64,535.00	\$64,535.00	\$64,535.00	\$0.00	0.00%	
Airport	\$10,880	\$10,880	\$10,880.00	\$10,880.00	\$10,880.00	\$10,880.00	\$0.00	0.00%	
Drainage	\$0	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	
Water Supply & Distribution	\$3,147,098	\$3,032,318	\$3,147,358.00	\$3,148,438.00	\$3,273,296.00	\$3,393,422.00	\$120,126.00	3.67%	
Metered sale of water - 2024 - \$2,099,132 - 2023 - \$2,011,231 = \$87,901									
Metered out of Town - 2024 - \$1,182,500 - 2023 \$1,150,275 = \$32,225									
Bulk water (Budget - \$40,000)									
Sewer	\$950,675	\$905,963	\$950,701.00	\$950,701.00	\$989,069.00	\$1,013,741.00	\$24,672.00	2.49%	
Sewer Service Charges - 2024 - \$951,721 - 2023 - \$927,049 = \$24,672									
Garbage Collection & Disposal	\$824,660	\$824,660	\$836,789.00	\$839,812.00	\$863,391.00	\$877,238.00	\$13,847.00	1.60%	haul rebate - \$26,351 .
Residential Garbage Revenue - 2024 - \$658,560 - 2023 - \$651,840 = \$6,720									
Recycling Revenue - 2024 - \$184,800 - 2023 - \$178,200 = \$6,600									
FCSS	\$157,148	\$157,148	\$157,148.00	\$157,148.00	\$157,148.00	\$164,220.00	\$7,072.00	4.50%	increased Provincial Funding
Cemetery	\$23,600	\$23,600	\$23,600.00	\$23,600.00	\$23,600.00	\$23,600.00	\$0.00	0.00%	
Planning & Development	\$44,500	\$34,100	\$44,500.00	\$44,500.00	\$44,500.00	\$44,500.00	\$0.00	0.00%	
Building Permits (Budget - \$30,000)									
Economic Development - BOT	\$222,920	\$149,585	\$232,125.00	\$137,420.00	\$142,170.00	\$146,570.00	\$4,400.00	3.09%	Shop Stettler, Trade Show, SWS Lunch
Subdivision Land	\$2,000	\$200	\$2,000.00	\$2,000.00	\$500.00	\$500.00	\$0.00	0.00%	Subdivision Fees
Land, Housing & Rentals	\$273,780	\$273,780	\$282,015.00	\$278,580.00	\$279,514.00	\$292,894.00	\$13,380.00	4.79%	
AE Kennedy Health Unit - 2024 - \$212,679 - 2023 - \$206,234 = \$6,445									
Ambulance Station - \$20,100									
SRC - Library - Budget - \$42,000									
Recreation - General	\$3,000	\$3,000	\$3,000.00	\$3,000.00	\$3,000.00	\$4,000.00	\$1,000.00	33.33%	increase in Donations - \$1000
Recreation Programs	\$24,460	\$3,500	\$22,700.00	\$26,190.00	\$25,418.00	\$27,318.00	\$1,900.00	7.48%	Ball / Soccer / storage rentals
Facilities	\$1,088,705	\$848,805	\$952,732.00	\$1,009,465.00	\$1,054,336.00	\$1,114,267.00	\$59,931.00	5.68%	County / Pool / SRC Revenue
Community Hall	\$40,000	\$20,000	\$30,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$0.00	0.00%	
Senior's Center	\$22,875	\$14,437	\$20,875.00	\$22,875.00	\$21,750.00	\$21,750.00	\$0.00	0.00%	
Parks	\$100,650	\$50,650	\$115,650.00	\$120,650.00	\$120,800.00	\$130,800.00	\$10,000.00	8.28%	
Lions Campground - Budget - 2024 - \$130,000 - 2023 - \$120,000 = \$10,000									
Operating Contingency	\$0	\$100,146	\$4,529.00	\$11,899.00	-\$5,615.00	\$0.00	\$5,615.00	0.00%	
Taxes / Penalties	\$8,704,836	\$8,527,784	\$8,677,404.00	\$8,778,101.00	\$9,012,985.00	\$9,279,247.00	\$266,262.00	2.95%	Tax \$212,215 - ASFF \$46,581 - Senior \$7,466
Other Revenue	\$1,845,400	\$1,845,400	\$1,938,350.00	\$2,078,400.00	\$2,188,430.00	\$2,707,682.00	\$519,252.00	23.73%	
Franchise Fee - GAS - 2024 - \$1,218,960 - 2023 - \$1,216,030 = \$2,930									
Franchise Fee - ELECTRIC - 2024 - \$820,322 - 2023 - \$764,000 = \$56,322									
Return on Investments - 2024 - \$600,000 - 2023 - \$140,000 = \$460,000									
Total Revenue	\$18,952,898	\$18,240,375	\$18,850,681.00	\$19,131,289.00	\$20,084,552.00	\$20,694,173.50	\$609,621.50	3.04%	

Expense	2020 Pre Covid Interim Budget - December 2019	2020 Post Covid - May 2020 (pre capital budget)	2021 Operating Budget May 2021 (not included \$645,000 Operating Capital Budget)	2022 Interim Operating Budget (no operating capital budget)	2023 Interim Operating Budget (no operating capital budget)	2024 Interim Operating Budget (no operating capital budget)	Variance	%	Notes
Council & Legislative	\$221,300	\$208,300	\$221,630.00	\$222,640.00	\$223,450.00	\$246,650.00	\$23,200.00	10.38%	
	Council Honorarium - 2024 - \$177,640 - 2023 - \$154,450 = \$23,200								
	Council per diem - Budget - \$27,000								
	Council travel & subsistence - Budget - \$22,000								
	Council membership Conferences (Budget - \$16,000)								
Administration	\$1,215,838	\$1,230,121	\$1,294,932.00	\$1,116,978.00	\$1,155,298.00	\$1,130,012.00	-\$25,286.00	-2.19%	Insurance - \$21,466
Police	\$1,140,831	\$1,140,831	\$1,264,942.00	\$1,277,089.00	\$1,557,191.00	\$1,813,785.00	\$256,594.00	16.48%	
	RCMP - Contract Billings (2024 - \$1,675,155 - 2023 - \$1,419,564 = \$255,591)								
Fire	\$900,178	\$889,028	\$894,059.00	\$917,264.00	\$1,038,570.00	\$866,499.00	-\$172,071.00	-16.57%	Town / County Fire Agreement
Disaster Services	\$20,068	\$32,068	\$33,080.00	\$33,530.00	\$44,711.00	\$46,741.00	\$2,030.00	4.54%	County Emergency Contract
Bylaw Enforcement	\$185,808	\$185,808	\$192,716.00	\$196,777.00	\$192,954.00	\$196,763.00	\$3,809.00	1.97%	
Common Services	\$150,597	\$150,597	\$156,733.00	\$282,530.00	\$272,111.00	\$270,527.00	-\$1,584.00	-0.58%	
Roads, Streets, Walks, Lights	\$1,903,345	\$1,903,345	\$1,932,829.00	\$1,949,578.00	\$1,967,254.00	\$2,048,004.00	\$80,750.00	4.10%	Salary \$12,850 General repair \$29,089, Snow removal rent & parts \$3000, street lights \$19,571, pole replace \$8,490
Airport	\$46,974	\$46,974	\$47,635.00	\$49,187.00	\$55,989.00	\$59,688.00	\$3,699.00	6.61%	Utility \$3,313
Water Supply & Distribution	\$3,095,880	\$3,095,880	\$3,078,025.00	\$3,094,431.00	\$3,234,380.00	\$3,334,666.00	\$100,286.00	3.10%	WTP - utility \$28,286 - WTS repairs \$12,000, Ins \$2000 - Wtrans salary \$26,030, equip repair \$35,000
Sewer	\$642,607	\$642,607	\$706,865.00	\$727,420.00	\$725,310.00	\$791,619.00	\$66,309.00	9.14%	Salary \$17,250, Utility \$14,798 - Lagoon chemical \$15,000, repair \$10,997
Garbage Collection & Disposal	\$794,016	\$722,866	\$724,917.00	\$748,219.00	\$792,848.00	\$822,715.00	\$29,867.00	3.77%	Contract \$5,968 - SWMA \$17,856 - salary \$2,960
FCSS	\$196,435	\$196,435	\$196,435.00	\$196,435.00	\$196,435.00	\$205,275.00	\$8,840.00	4.50%	Inc Provincial funding \$7072, Town \$1768
Cemetery	\$64,668	\$64,668	\$65,790.00	\$64,290.00	\$65,160.00	\$66,780.00	\$1,620.00	2.49%	
Planning & Development	\$380,225	\$342,725	\$330,035.00	\$416,270.00	\$421,260.00	\$375,500.00	-\$45,760.00	-10.86%	Salary adjustment
Comm Services -Handi Bus	\$25,000	\$25,000	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$0.00	0.00%	
Economic Development	\$633,150	\$532,150	\$679,030.00	\$587,646.00	\$633,077.00	\$616,405.00	-\$16,672.00	-2.63%	BOT officesupplies (\$2,242), Tourism advert (\$2500), training (\$2,500), Projects (\$10,000)
Subdivison Land	\$55,270	\$55,270	\$55,820.00	\$56,620.00	\$54,580.00	\$50,410.00	-\$4,170.00	-7.64%	Salary adjustment
Land, Housing & Rentals	\$43,900	\$43,900	\$44,890.00	\$44,760.00	\$45,603.00	\$47,540.00	\$1,937.00	4.25%	Health unit repair \$1937
Recreation - General	\$138,775	\$138,775	\$151,470.00	\$146,025.00	\$147,690.00	\$155,645.00	\$7,955.00	5.39%	Bank Charges
Recreation Programs	\$82,280	\$82,280	\$84,740.00	\$81,320.00	\$81,300.00	\$82,180.00	\$880.00	1.08%	
Facilities	\$2,459,512	\$2,431,270	\$2,375,397.00	\$2,507,648.00	\$2,704,155.00	\$2,766,939.00	\$62,784.00	2.32%	SRV Utility \$10,067 - Fitness supplies \$2000 - Pool Utility \$30,000 salary 19,641
Culture	\$345,812	\$345,812	\$334,162.00	\$354,497.00	\$350,356.00	\$353,268.00	\$2,912.00	0.83%	
	Parkland Regional Library - 2024 \$54,639 - 2023 \$52,080 = \$2,559								
	Stettler Public Library - 2024 \$251,779 - 2023 \$251,766 = \$13								
	Stettler Museum- \$35,000								
Community Hall	\$104,029	\$104,029	\$107,546.00	\$107,397.00	\$107,299.00	\$111,880.00	\$4,581.00	4.27%	Utility \$2,531, Telephone \$900, salary \$1900
Senior's Center	\$13,310	\$13,310	\$13,330.00	\$13,280.00	\$13,280.00	\$13,430.00	\$150.00	1.13%	
Parks	\$614,051	\$618,745	\$630,581.00	\$658,412.00	\$697,088.00	\$747,942.00	\$50,854.00	7.30%	Salary \$22,165 - flowers \$2,000 - campground materials \$2,000 - ball diamond materials - \$1,500, spray park repair \$15,000 - weed contract \$4,000
Operating Contingency	-\$230,000	-\$230,000	-\$220,000.00	-\$210,000.00	-\$200,000.00	-\$191,000.00	\$9,000.00	-4.50%	
	WTP gross recovery - (\$191,000) (JE made at end of year prior to Audit)								
	Available for Capital from 2023 Operating Budget for 2023 Capital Budget - \$882,919 (Water \$58,756+ Utility \$276,645 (sewer, waste, recycling) + Total Available for Capital - \$547,518) = \$882,919								
Requisitions	\$2,683,612	\$2,678,334	\$2,684,629.00	\$2,766,475.00	\$2,702,345.00	\$2,756,392.00	\$54,047.00	2.00%	
	ASFF - 2024 \$2,207,833 - 2023 \$2,164,542 = \$43,291								
	ASFF Separate School - 2024 \$167,793 - 2023 \$164,503 = \$3,290								
	County of Stettler Senior Lodges - 2024 \$380,766 - 2023 \$373,800 = \$7,466								
Total Expense	\$17,927,471.00	\$17,691,128.00	\$18,107,218.00	\$18,431,718.00	\$19,304,694.00	\$19,811,255.00	\$506,561.00	2.62%	
Surplus / Deficit	\$1,025,427.00	\$549,247.00	\$743,463.00	\$699,571.00	\$779,858.00	\$882,918.50	\$103,060.50	13.22%	

Administration considers a 3% property tax increase, \$0.1477 Town water and \$0.25 sewer, \$0.25 waste & \$0.25 recycling rate increases included in the 2024 Interim Operating Budget necessary given the ongoing current economic conditions and future obligations required in our community as we move forward from COVID19, the past 3 years of 0% increases in 2020-2022 and a 4% increase in 2023. This three-year forecast reflects Administration and Council's intent to be fiscally responsible and accountable to its residents while still maintaining a strong, healthy and sustainable community.

The 2024 – 2026 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.

Consideration of this 2024 – 2026 Interim Operating Budget “Memorandum” alone affords Council a broad perspective highlighting an estimated **\$17,503,077** million or **88.35%** of the entire **\$19,811,255** million dollars in expenditures included in this budget:

Total Operational Budget Summary Memo	2019 Budget	2020 Pre Covid - Dec 2019	2020 Post Covid - May 2020	2021 Budget	2022 Budget	2023	2024	Difference (2024 Budget - 2023 Budget)	2025	2026
Amount available for capital	\$1,076,350	\$1,025,427	\$549,247	\$743,463	\$699,571	\$779,858	\$882,919	\$103,061	\$880,417	\$1,033,201
Minor capital in operations	\$567,530	\$534,300	\$578,300	\$584,300	\$582,200	\$644,300	\$622,200	-\$22,100	\$624,325	\$625,000
Insurance	\$168,156	\$171,510	\$175,250	\$200,887	\$210,920	\$245,841	\$315,060	\$69,219	\$321,360	\$327,780
Community Partners	\$2,139,179	\$2,245,370	\$2,152,559	\$2,226,381	\$2,290,077	\$2,410,028	\$2,600,997	\$190,969	\$2,641,872	\$2,638,504
Salaries and benefits - 0.05% increase	\$5,784,230	\$6,209,960	\$6,209,960	\$6,225,520	\$6,297,570	\$6,462,830	\$6,428,550	-\$34,280	\$6,655,870	\$6,757,190
Labour Contingency	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electricity (rate/MWh 2018 - \$58.29, 2019 & 2020 - \$53.10, 2021, 2022 & 2023 - \$43.92 - 2034-2026 - \$52.85 (increase in rate)	\$904,920	\$861,757	\$838,489	\$830,097	\$968,355	\$953,073	\$1,063,007	\$109,934	\$1,013,380	\$1,032,848
Natural Gas - 2018-2022 -\$2.67 / 2023-2026 -\$5.46 / Carbon Tax - 2024 - \$4.05 - 2023- \$3.29 - 2022 - \$2.63 /	\$180,134	\$185,396	\$179,822	\$201,464	\$236,916	\$342,716	\$347,144	\$4,428	\$364,957	\$388,241
Electricity and natural gas contingency	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debtenture debt servicing	\$760,003	\$691,596	\$691,596	\$694,400	\$666,213	\$653,360	\$612,830	-\$40,530	\$571,400	\$571,590
Policing Contract - RCMP salary increase	\$956,072	\$1,080,481	\$1,080,481	\$1,087,211	\$1,087,211	\$1,419,564	\$1,675,155	\$255,591	\$1,724,841	\$1,758,103
Assessment Contract - 2024 - parcel 3108/5yr-2028	\$81,855	\$81,989	\$81,989	\$82,123	\$83,794	\$83,930	\$86,309	\$2,379	\$87,750	\$89,170
Bylaw enforcement contract	\$155,627	\$159,518	\$159,518	\$163,506	\$166,367	\$167,594	\$171,783	\$4,189	\$176,078	\$176,078
Garbage collection contract - 2024 - 2.9%	\$185,910	\$207,210	\$171,624	\$173,424	\$181,840	\$193,969	\$199,937	\$5,968	\$203,936	\$208,015
Recycling collection contract - 2023 - 2.9%	\$111,975	\$123,457	\$104,521	\$105,243	\$110,469	\$117,867	\$121,560	\$3,693	\$123,992	\$126,471
Operational Budget Summary	\$13,151,941	\$13,577,971	\$12,973,356	\$13,318,019	\$13,581,503	\$14,474,930	\$15,127,451	\$652,521	\$15,390,178	\$15,732,191
ASFF - 2% increase + growth	\$2,314,984	\$2,334,809	\$2,327,097	\$2,319,539	\$2,393,802	\$2,329,045	\$2,375,626	\$46,581	\$2,423,138	\$2,471,601
Total Operational Budget Summary Memo	\$15,466,925	\$15,912,780	\$15,300,453	\$15,637,558	\$15,975,305	\$16,803,975	\$17,503,077	\$699,102	\$17,813,316	\$18,203,792
Total Operational Budget Expenditures	\$17,677,384	\$17,927,471	\$17,691,128	\$18,107,218	\$18,431,718	\$19,304,694	\$19,811,255		\$20,082,910	\$20,340,481
	87.50%	88.76%	86.49%	86.36%	86.67%	87.05%	88.35%		88.70%	89.50%

The 2024 – 2026 Interim Operating Budget continues to **invest** a substantial amount of internally generated funds (**2024 - \$882,919**) for normal capital projects on an annual basis. However, with the loss of the Basic Municipal Transportation Grant in 2022 (BMTG - \$357,120), administration remains cautious in the Town's ability to save for/invest in major capital equipment and infrastructure given the remaining multi-year federal and provincial grant programs (Municipal Sustainability Initiative (MSI) and Canada Building Communities Fund (CBCF – formally FGT). Also, with the global, national & provincial endemic economic policies uncertain, and the ongoing replacement vagueness of the current MSI program with the Local Government Fiscal Framework (LGFF) in 2024, the Town will continue to be 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 2024 – 2026 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	2025	2026
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	\$19,131,289	\$20,084,552	\$20,694,174	\$20,963,327	\$21,373,682
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	\$18,431,718	\$19,304,694	\$19,811,255	\$20,082,910	\$20,340,481
Net Revenue Generated	\$969,430	\$922,764	\$1,291,270	\$983,967	\$1,026,905	\$1,076,350	\$1,025,427	\$549,247	\$743,463	\$699,571	\$779,858	\$882,919	\$880,417	\$1,033,201
Available for Capital														
Utility Source Capital	\$561,500	\$629,283	\$579,417	\$523,839	\$445,438	\$396,822	\$389,930	\$301,588	\$425,041	\$368,881	\$373,218	\$335,401	\$370,265	\$351,353
General Source Capital	\$407,930	\$293,481	\$711,854	\$460,128	\$581,467	\$679,528	\$635,497	\$247,659	\$318,422	\$330,690	\$406,640	\$547,518	\$510,152	\$681,848
Net Revenue Generated	\$969,430	\$922,764	\$1,291,271	\$983,967	\$1,026,905	\$1,076,350	\$1,025,427	\$549,247	\$743,463	\$699,571	\$779,858	\$882,919	\$880,417	\$1,033,201
Plus External Grants (pending)														
Basic Municipal Transportation Grant	\$344,880	\$344,880	\$344,880	\$344,880	\$357,120	\$357,120	\$357,120	\$357,120	\$357,120	\$0	\$0	\$0	\$0	\$0
Canada Building Communities Fund (FGTF)	\$325,631	\$301,327	\$309,892	\$310,904	\$328,277	\$672,579	\$346,344	\$340,465	\$696,912	\$356,384	\$356,679	\$356,679	\$356,679	\$356,679
MSI Operating - Police	\$54,446	\$54,445	\$53,284	\$52,513	\$53,680	\$54,199	\$53,391	\$52,856	\$52,448	\$52,448	\$104,896	\$104,896	\$104,896	\$104,896
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	\$649,945	\$649,945
COVID-19 - MOST (Municipal Operating Support Transfer)									\$607,693				\$0	\$0
COVID-19 - MSP (Municipal Stimulus Program)									\$707,509				\$0	\$0
Total Grants	\$1,788,452	\$1,826,513	\$1,751,531	\$2,655,534	\$1,300,608	\$1,650,276	\$1,702,020	\$1,693,899	\$3,667,312	\$1,058,777	\$1,111,520	\$1,111,520	\$1,111,520	\$1,111,520
Total New Available Funds	\$2,757,882	\$2,749,277	\$3,042,802	\$3,639,501	\$2,327,513	\$2,726,626	\$2,727,447	\$2,243,146	\$4,410,775	\$1,758,348	\$1,891,378	\$1,994,439	\$1,991,937	\$2,144,721

* Other notable Maintenance Spending Allocations within the 2024-2026 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	2025	2026
Water Meter Replacements	\$46,000	\$46,000	\$46,000	\$46,000	\$46,500	\$47,000	\$75,000	\$75,000	\$75,000	\$75,000	\$80,000	\$80,000	\$80,000	\$80,000
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	\$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	\$27,500	\$27,500	\$27,500	\$27,500
Pathway Maintenance	\$0	\$0	\$0	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
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	\$70,000	\$70,000	\$70,000
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	\$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	\$44,000	\$44,000
Land Development Reserve (LDR) / Lot Sales	\$116,110	\$102,050	\$0	\$0	\$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	\$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	\$113,700	\$91,700	\$93,200	\$93,200
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	\$148,100	\$145,600	\$146,225	\$146,900
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	\$26,900	\$26,900
Total Generated In/From Operations	\$608,130	\$610,350	\$507,400	\$510,510	\$543,320	\$567,530	\$534,300	\$578,300	\$584,300	\$582,200	\$644,300	\$622,200	\$624,325	\$625,000

Land Development

The Town of Stettler's Land Development portfolio has an approximate fair market value at December 31st, 2023 as estimated below:

Realized:

Land Development Reserve @ Dec. 31/23	\$1,189,898.57
Projected additions to Dec. 31/24	\$0.00
Projected deletions to Dec. 31/24	<u>\$0.00</u>
Total Land Development Reserve @ Dec 31/24	\$1,189,898,57

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)
Net Fair Value	\$3,999,772	



Administration, being conservative, has not forecast any sales of our remaining serviced residential lots/undeveloped lands in 2024. Although Town lots are priced competitively, and with the implementation of various economic development policies (realtor incentives, tax incentives) by Council, local lot sales/home construction is being predominantly driven privately in Meadowlands by the Park and infill developments.

Normally the Town's unrealized Land Development properties, through relatively consistent annual lot sales, would have

provided this Interim Operating Budget with approximately \$54,580 towards Subdivision

Administration departmental costs and a further \$40,000 (ROI like) contribution. However, with no forecasted municipal lot sales in 2024, the Operating Budget is now absorbing this combined \$94,580 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 2024 – 2026 Interim Operating Budget includes continued funding for our community program partners and regional joint collaborative initiatives as follows:

Town of Stettler												
Community Partners - 2024 Budget												
			2019	2020 (Pre Covid - Interim Budget - Dec 2019)	2020 (Post Covid - Tax Budget - May 2020)	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2024-2023 Difference	2025	2026
1	Family Community Support Services (FCSS-2017-Botha)		\$196,435	\$196,435	\$196,435	\$196,435	\$196,435	\$196,435	\$205,275	\$8,840	\$205,275	\$205,270
	Provincial Funding (80%) - \$164,220											
	Municipal Funding (20%) - \$41,055											
2	Museum (land purchase)		\$34,000	\$34,000	\$34,000	\$34,000	\$42,000	\$35,000	\$35,000	\$0	\$35,000	\$35,000
3	Board of Trade (net)		\$244,217	\$287,210	\$259,110	\$325,305	\$324,776	\$365,787	\$345,145	-\$20,642	\$358,041	\$316,936
	Community Event - BOT		\$5,000	\$5,000	\$5,000	\$3,500	\$4,000	\$4,000	\$4,000	\$0	\$4,000	\$4,000
	Community Dev - Steel Wheel Stampede		\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Community Dev - Adult Learning Council		\$3,000	\$3,000	\$0	\$3,000	\$3,000	\$3,000	\$3,000	\$0	\$3,000	\$3,000
	Community Dev - Taste of the Heartland		\$0	\$0	\$0	\$0	\$0	\$2,500	\$2,500	\$0	\$2,500	\$2,500
	Community Dev - Community Energy Improvement Program (CEIP) - Application Fee		\$0	\$0	\$0	\$0	\$0	\$14,172	\$0	-\$14,172	\$0	\$0
	Community Dev (\$44,000 - Total)		\$31,000	\$41,000	\$0	\$41,000	\$41,000	\$24,328	\$38,500	\$14,172	\$38,500	\$38,500
4	Beautification - HBC (grant)		\$22,200	\$22,200	\$22,200	\$22,200	\$22,200	\$22,200	\$22,200	\$0	\$22,200	\$22,200
5	Stettler Public Library		\$245,702	\$250,182	\$250,182	\$238,492	\$250,117	\$251,766	\$251,779	\$13	\$254,350	\$256,941
6	Parkland Regional Library		\$49,104	\$50,890	\$50,890	\$50,890	\$50,890	\$52,080	\$54,639	\$2,559	\$55,732	\$56,847
7	Senior Handi Bus Society		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$0	\$25,000	\$25,000
8	Senior Housing Authority (estimated 2%)		\$331,307	\$347,873	\$350,318	\$368,112	\$372,673	\$373,300	\$380,766	\$7,466	\$388,381	\$396,149
9	Solid Waste Management (\$71+\$3=\$74-swma req/pop inc 5952)		\$386,880	\$404,736	\$386,880	\$386,880	\$404,736	\$422,592	\$440,448	\$17,856	\$458,304	\$476,030
10	Heartland Youth Centre (playground program)		\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$0	\$50,000	\$50,000
11	Fire Protection (net)		\$465,511	\$491,751	\$486,451	\$444,812	\$464,943	\$522,759	\$693,937	\$171,178	\$691,656	\$699,323
13	Airport (net)		\$39,823	\$36,094	\$36,094	\$36,755	\$38,307	\$45,109	\$48,808	\$3,699	\$49,933	\$50,808
Total Community Partners			\$2,139,179	\$2,245,370	\$2,152,559	\$2,226,381	\$2,290,077	\$2,410,028	\$2,600,997	\$190,969	\$2,641,872	\$2,638,504
14	Education (ASFF) - 2% increase + growth		\$2,314,984	\$2,334,809	\$2,327,097	\$2,319,539	\$2,393,802	\$2,329,045	\$2,375,626	\$46,581	\$2,423,138	\$2,471,601
	Recreation (net) - Revenue - \$72,831 (County - \$20,942, SRC - 27,039, Pool - \$12,750, Campground - \$10,000 / Expenses - \$131,116 (SRC General - bank charges - \$10,000, Summer Ice (salary, utilities) - 6,496, Pool (salary, utilities, insurance)- \$41,960, Community hall - \$4,581, Parks (salary, weed control, spray park repair) - \$50,854		\$2,202,951	\$2,480,729	\$2,793,829	\$2,552,269	\$2,646,399	\$2,834,864	\$2,893,149	\$58,285	\$2,930,582	\$2,995,131

Major Budget Impacts and Constraints

Cost of Labor

A significant share (\$6,428,550 – 37.93%) of the overall 2024 – 2026 Interim Operating Budget is committed to human resources. Town Council understands and appreciates that our most valuable resource is people: passionate, 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%
2021	0%	Total 11.5%	4.7% (August 2021) Total 13%
2022	0.5%		6.2% (September 2022)
2023	0.5%	Total 12.5%	2.1% (October 2023) Total 21.3%
2024	___%	(subject to CUPE negotiations)	
2025	___%	(subject to CUPE negotiations)	
2026	___%	(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 2024-2026. Historically an administrative 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 labor budgets across the entire organization.

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
2022	\$0.00
2023	\$0.00
2024	\$0.00
2025	\$0.00
2026	\$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%						
			2022 Payroll Budget	6,297,570	4,938,660	1,358,910	21.58%						
			2023 Payroll Budget	6,456,890	5,124,970	1,331,920	20.63%						
2024 Changes													
	Benefits	WCB Claims Experience		-1,659									
		Equitable Life - (Dental / Ext Health)		1,033									
		LAPP		-12,508									
	Administration	Manager of Accounting		-33,502									
		Part Year Director of Finance		-22,894									
		Part Year Planning Officer		-21,608									
	Fire	Fire (Administration and Fire Support)		-80,000									
	COLA	COLA 3% - \$91,233 / Merit (12 EE) - \$43,779 / Staff Apprec - \$23,600 / Benefit Volume Changes - (-\$15,814)		142,798									
		2024 Payroll Budget - 6,428,550		6,428,550	5,085,700	1,342,850	20.89%						
		2023 - 1.16%		-0.44%	-28,340								
		2025 Payroll Budget (est 2% - subject to CUPE Neg)		6,655,870	227,320	3,54%							
		2026 Payroll Budget (est 2% - subject to CUPE Neg)		6,757,190	101,320	1.52%							
Total Municipal Expenses													
			2016	2017	2018	2019	2020 (may)	2021	2022	2023	2024	2025	2026
	Total GL Expense		\$16,184,230	\$16,801,224	\$17,318,754	\$17,677,384	\$17,691,128	\$18,107,218	\$18,431,718	\$19,304,694	\$19,811,255	\$20,082,910	\$20,340,481
	Less ASFF & Senior & DIP		-\$2,501,331	-\$2,511,755	-\$2,572,301	-\$2,746,995	-\$2,676,754	-\$2,684,629	-\$2,766,475	-\$2,702,345	-\$2,756,392	-\$2,811,592	-\$2,867,750
	Less LDR Transfer		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Less MSI Operating		-\$54,446	-\$53,284	-\$52,513	-\$53,680	-\$52,856	-\$52,448	-\$52,448	-\$104,896	-\$104,896	-\$104,896	-\$104,896
	Total Municipal Expenses		\$13,628,453	\$14,236,185	\$14,693,940	\$14,876,709	\$14,961,518	\$15,370,141	\$15,612,795	\$16,497,453	\$16,949,967	\$17,166,422	\$17,367,835
Salaries and Benefits													
Year	Salaries & Benefits	Change	Municipal Budget	%									
2016	\$5,231,370	\$189,210	\$13,628,453	38.39%									
2017	\$5,530,020	\$298,650	\$14,236,185	38.84%									
2018	\$5,717,710	\$187,690	\$14,693,940	38.91%									
2019	\$5,784,230	\$66,520	\$14,876,709	38.88%									
2020	\$6,209,960	\$425,730	\$14,961,518	41.51%									
2021	\$6,225,520	\$15,560	\$15,370,141	40.50%									
2022	\$6,297,570	\$72,050	\$15,612,795	40.34%									
2023	\$6,456,890	\$159,320	\$16,497,453	39.14%									
2024	\$6,428,550	-\$28,340	\$16,949,967	37.93%									
2025	\$6,655,870	\$198,980	\$17,166,422	38.77%									
2026	\$6,757,190	\$328,640	\$17,367,835	38.91%									

Cost of Electricity and Natural Gas

The Town will consume approximately **5154 mWh** (5,154,000 kWh) of electricity in 2024 (**2023 - 4999 mWh**) at the **increased** contracted rate with CAPITAL POWER of \$52.85 per mWh (3 years: 2024-2026). The difference in mWh is the overall estimated usage at the SRC. 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 **\$305,631 - 29%**) with wire service provider charges (ATCO **\$757,376 - 71%**), the 2024 Interim Operating Budget includes **\$1,063,007** (**2023 - \$953,073 - increase of \$109,934 / 11.53%**) for electricity. In 2024 the wire services provider charges of \$757,376 includes the following: distribution costs - \$638,229 / local access fee \$73,869, and rate rider cost \$45,278. Approximately **74%** (or **\$783,129**) of the Town's entire cost of electricity is attributed to the following three types of consumption: WTP 19.37% (**\$205,869**), the SRC 25.72% (**\$273,405**), and Street Lights 28.58% (**\$303,855**).

In addition, the Town will consume approximately **25,130 GJ** of natural gas in 2024 (**27,164 in 2023 - update estimated SRC usage**) at the contracted rate with ACCESS Gas of \$5.46/GJ + UFG (Unaccounted for Gas lost through the distribution system) + applicable administration fees per GJ (4-year 2023 – 2026 - Hybrid Purchase (75% equivalent of weather normalized volumes) plus the EAI fee of \$0.30 per GJ. A summary of the Natural Gas Rate paid by the Town of Stettler is as follows:

- 2013 - 2018 - \$3.75/GJ – Access Gas
- 2018 – 2022 - \$2.67/GJ – Access Gas
- **2023 - 2026 - \$5.46/GJ – Access Gas**

The 2024 Interim Operating Budget includes **\$347,144** (**2023 - \$342,716 increase of \$4,428 / 1.29%**) for natural gas. The Provincial Carbon Tax has been repealed effective June 1, 2019; however, the Town of Stettler will be subject to the Federal Carbon Tax as follows:

- Carbon tax levy (\$/GJ) – Jan 2020 - \$1.05 / April 2020 - \$1.58 / April 2021 - \$2.10 / April 2022 - \$2.63 / April 2023 - \$3.29 / **April 24 - \$4.05** / April 2026 - \$5.57 / April 2027 - \$6.33 / April 2028 - \$7.08 / April 2029 - \$7.84 / April 2030 - \$8.60

The 2024 Interim Budget foresees an increase of the Federal Carbon Tax in Alberta to \$4.05/GJ in April 2024 till April 1, 2026. The Federal Carbon Tax currently makes up approximately **27%** (**\$93,457**), Commodity charges **42%** (**\$144,216**), transportation/rate rider **25%** (**\$87,917**) and Local Access Fee **6%** (**\$21,554**) of the Total \$347,144

Given global financial uncertainty, as well as confidence in the budget estimates, Administration has eliminated the \$30,000 utility contingency in the 2024 – 2026 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 Childcare Centre
- Superfluity
- Summer Village of White Sands
- Stettler Museum (added 2016)
- Stettler Golf Course (added 2019-2020)
- Heartland Youth Centre (2024)

Franchise Agreements

The AltaGas Franchise Agreement was also renegotiated in 2015. This reflects a change in the franchise fee from 18% to 30%, (cap 35%) **2024 – \$1,218,960** (2023 - \$1,216,030 - \$2,930 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%. (cap 20%) **2024 – \$820,322** (2023 - \$764,000 = \$56,322 increase due to higher estimated distribution revenue from ATCO). Franchise Fees are calculated upon the estimated distribution component of customer bills and not upon the retail (consumption) component.

What is a “franchise agreement”?

Pursuant to section 45(1) of the Municipal Government Act (the “MGA”), council may grant the right to a person to provide a utility service in all or part of the municipality, for not more than 20 years. Such an agreement is generally referred to as a “franchise agreement”.

What specific requirements in the MGA apply to franchise agreements?

Section 45(3) of the MGA states that before a franchise agreement is entered into, amended or renewed, it must be advertised and approved by the Alberta Utilities Commission (the “Commission”). Most applications for approval of a franchise agreement for the distribution of electricity and natural gas are based on a standard template agreement, negotiated between municipalities and utilities, and approved by the Commission.

As per section 47 of the MGA, a franchise agreement that is not renewed remains in effect until terminated by either party, which requires six months’ notice and approval of the Commission. If notice of termination is provided, the municipality has the right to purchase the rights, systems and works of the public utility, with any disagreement as to the terms of the purchase being resolved by the Commission.

What is a “franchise fee”?

A franchise fee is a fee charged by the municipality in exchange for the granting of the right to provide the utility service in the municipality and for the ability to place distribution facilities on municipally owned lands. The municipality is largely responsible for establishing the level of the franchise fee through the franchise agreement; however, the Commission must ultimately approve the franchise agreement and the franchise fee established.

How are franchise fees calculated, charged and remitted?

For electrical and natural gas distribution companies, franchise fees are typically calculated as a percentage of the total distribution charges on a customer’s bill. They are currently capped at 20% for electricity, and 35% for natural gas. For stability, franchise fees are typically not tied to the price of the commodity (electricity or natural gas).

The distribution company collects the franchise fee from its customers, through a line item on the customer’s bill typically labelled the “Municipal Franchise Fee” or “Local Access Fee”. The

distribution company then remits the franchise fee to the municipality in accordance with the terms of the franchise agreement.

Debenture Debt

Debenture Debt outstanding at the start of 2024 will be approximately \$3.5 million. Included in this debt are borrowings for local improvement purposes of which \$1.164 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.

In accordance with the Town's 2022 Audited Financial Statements the Town's maximum debt limit per provincial legislation is approximately \$24.8 million. The 2024 Interim Operating Budget includes annual debt servicing costs as follows:

	Utilities	General	Total
Principle	\$276,800.00	\$206,190.00	\$482,990.00
Interest	\$82,690.00	\$47,150.00	\$129,840.00
Total	\$359,490.00	\$253,340.00	\$612,830.00

Beginning 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
2022	\$4,504,844.98
2023	\$4,016,316.98
2024	\$3,513,690.79
2025	
2026	

#	Dep	Description	Bylaw	Int Rate	Begin	End	Years	Beginning Balance - 2023/12/31	Principle	Interest	Total Principle + Interest	Ending Balance - 2024/12/31
89	41	2004 WTP	1871-03	4.923	2005	2024	20	\$2,858.37	\$2,858.37	\$106.11	\$2,964.48	\$0.00
90	42	2004 East Industrial Sewer (LI)	1889-04	4.923	2005	2024	20	\$36,957.69	\$36,957.69	\$1,369.89	\$38,327.58	\$0.00
93	73	2006 Leisure Centre	1927-06	4.699	2007	2026	20	\$284,847.10	\$90,574.65	\$12,333.29	\$102,907.94	\$194,272.45
94	32	2006 Paving (LI)	1940-06	4.365	2007	2026	20	\$63,023.71	\$20,107.57	\$2,533.93	\$22,641.50	\$42,916.14
95	12	2010 Town Office	1926-06	4.252	2010	2030	20	\$416,197.33	\$56,861.12	\$17,098.64	\$73,959.76	\$359,336.21
96	41	2011 WTP	1970-08	4.269	2011	2031	20	\$1,166,349.76	\$135,009.40	\$48,365.80	\$183,375.20	\$1,031,340.36
97	42	2011 Lagoon	1998-10	4.269	2011	2031	20	\$328,409.22	\$38,014.64	\$13,618.36	\$51,633.00	\$290,394.58
98	42	2011 Lagoon Storage Cells	1999-10	4.269	2011	2031	20	\$273,807.00	\$31,694.20	\$11,354.14	\$43,048.34	\$242,112.80
99	32	2011 Sidewalk - 51st - (LI)	2016-11	3.145	2011	2031	20	\$10,542.53	\$1,178.47	\$322.37	\$1,500.84	\$9,364.06
101	41/42	2013 Water/Sewer - 44ave (LI)	2035-12	3.033	2013	2033	20	\$175,797.24	\$16,227.97	\$5,209.81	\$21,437.78	\$159,569.27
102	41/42	2013 Water/Sewer - 50st (LI)	2036-12	3.033	2013	2033	20	\$104,752.10	\$9,669.75	\$3,104.37	\$12,774.12	\$95,082.35
103	32	2016 Paving 50ave (LI)	2071-15	2.831	2016	2035	20	\$239,129.61	\$16,992.66	\$6,650.34	\$23,643.00	\$222,136.95
104	41/42	2016 Water/Sewer - 52ave (LI)	2072-15	2.831	2016	2035	20	\$89,512.31	\$6,360.79	\$2,489.39	\$8,850.18	\$83,151.52
105	32	2017 Paving Wilfort SD - (LI)	2078-16	3.058	2017	2036	20	\$321,506.82	\$20,481.84	\$9,676.28	\$30,158.12	\$301,024.98
			Total - Debenture List					\$3,513,690.79	\$482,989.12	\$134,232.72	\$617,221.84	\$3,030,701.67
			Total Rounding + Interest Timing - from AMFC						\$1.00	-\$4,393.00	-\$4,392.00	
			Total - 2024 Debenture Budget - From AMFC						\$482,990	\$129,840	\$612,830	

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	2025	2026
County of Stettler Contributions									
Fire Department (Joint Expenses - 50%)	\$176,998	\$191,774	\$185,924	\$232,779	\$239,913	\$249,620	\$105,512	\$104,122	\$104,839
Regional Fire Chief / Deputy - 2024 - 100% Town of Stettler	\$148,580	\$151,865	\$151,865	\$151,680	\$150,155	\$199,770	\$0	\$0	\$0
RCMP - Community Resource Officer (25%)	\$28,690	\$0	\$0	\$0	\$44,156	\$64,871	\$70,216	\$72,796	\$74,350
Airport Operations	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Recreation Cost Sharing (originally \$513,300 - 2015)	\$470,980	\$431,500	\$431,500	\$431,500	\$439,600	\$452,400	\$480,432	\$489,950	\$499,478
Stettler Board of Trade (funding on project by project basis)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total County of Stettler Contributions	\$829,748	\$779,639	\$773,789	\$820,459	\$878,324	\$971,161	\$660,660	\$671,368	\$683,167

County of Stettler Equitable Recreation Cost Sharing Contribution:

The 2024 Interim Operating Budget includes \$480,342 (2023 - \$452,400 - \$27,942) in recreation support from the County of Stettler. The Administrative assumptions incorporated are as follows:

PLS Revenue: \$480,342

PLS Expenditures:

Transfer to SRC Capital Reserve -Town \$173,600 (represents 65% of \$4M deemed debt)

Transfer to SRC Capital Reserve -County \$93,300 (represents 35% of \$4M deemed debt)
\$266,900

Remains as net operational support \$95,042 (to support property tax mitigation)

Remains as new net operational support **\$118,400** (enhances available for Capital Budget)
\$213,442

The availability of these new funds is welcome and certainly helps to soften the budgetary impacts of the proposed 3% 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	\$434,292.69	11,812,160	0	0.00%	\$266,900	\$118,400	\$46,200
2022	1,413,266,990	0.03170%	\$448,005.64	\$439,600.00	\$447,026.00	40,160,330	8,100	1.88%	\$266,900	\$118,400	\$54,300
2023	1,485,563,760	0.03170%	\$470,923.71	\$452,400.00		72,296,770	12,800	2.91%	\$266,900	\$118,400	\$67,100
2024	1,515,275,035	0.03170%	\$480,342.19	\$480,342.00		29,711,275	27,942	6.18%	\$266,900	\$118,400	\$95,042
2025	1,545,580,536	0.03170%	\$489,949.03	\$489,950.00		30,305,501	9,608	2.00%	\$266,900	\$118,400	\$104,650
2026	1,576,492,147	0.03170%	\$499,748.01	\$499,748.00		30,911,611	9,798	2.00%	\$266,900	\$118,400	\$114,448

Family and Community Support Services (FCSS)

The Town will continue to fund the maximum 20% share \$41,055 (2023 \$39,287 - \$1,768) to access the maximum 80% available funding from the Provincial Government \$164,220 (2023 \$157,148 - \$7,072). Total FCSS contribution including provincial funding is \$205,275 in 2024. (2023 \$196,435 (\$8,840 increase))

Miscellaneous 2024 Budget impacts

- Fire Agreements with Villages (50% Town share) will generate \$32,050 (Summer Villages of Rochon Sands and White Sands – Not Incl Big Valley and Donaldda)
- AE Kennedy rental income to increase by \$6,445 to \$212,679 (2023 - \$206,234)
 - 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) - \$21,750 income (includes \$6,000 casino funding)/ \$13,430 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	
• 2022	\$3 million	\$23,532	
• 2023	\$3.5 million	\$27,375	(Res - \$2,000,000 - \$13,672) / (Non-res - \$1,500,000 - \$13,703)
• 2024	\$3.8 million	\$30,990	(Res - \$2,000,000 - \$13,935) / (Non-res - \$1,800,000 - \$17,055)
• 2025	\$6.0 million	\$46,305	(Res - \$4,500,000 - \$31,950) / (non-res - \$1,500,000 - \$14,355)
• 2026	\$7.0 million	\$52,570	(Res - \$6,000,000 - \$42,900) / (non-res - \$1,000,000 - \$9,670)

This new revenue from property taxation growth is welcome and vital to fund the budget challenges associated with sustainability and the ongoing challenges of the 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>
2026	3% & 3%	\$202,916	\$66,639
2025	3% & 3%	\$195,658	\$65,219
2024	3% & 3%	\$189,056	\$63,019
2023	4% & 4%	\$240,362	\$60,090
2022	0% & 0%	\$0	\$59,935
2021	0% & 0%	\$0	\$59,505
2020	0% & -1%	-\$22,496	\$59,347 (COVID19)
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:

2023	\$6,301,871	+\$291,183	4.84% (4% residential / 4% non-residential)
2022	\$6,010,688	+\$43,255	0.72% (0% residential / 0% non-residential)
2021	\$5,967,433	+\$16,926	0.28% (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 2024 - 2026 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	\$1.3964	\$1.4424	True-up
2021	\$2.8200	\$0.00	\$10.00	\$0.0000	\$1.3732	\$1.4169	True-up
2022	\$2.8200	\$0.00	\$10.00	\$0.0000	\$1.4261	\$1.4363	True-up
2023	\$2.8977	\$0.0777	\$10.00	\$0.0000	\$1.4959	\$1.5526	Budget
2024	\$3.0454	\$0.1477	\$10.00	\$0.0000	\$1.5298	\$1.6001	Budget
2025	\$3.0459	\$0.0005	\$10.00	\$0.0000	\$1.5569	\$1.6275	Budget
2026	\$3.0487	\$0.0028	\$10.00	\$0.0000	\$1.5728	\$1.6435	Budget

For a typical Stettler residential customer using 17 m³ 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 (\$2.82 per cubic meter)
- 2023 + \$1.32 per month or \$15.84 per year (\$2.8977 per cubic meter)
- 2024 + \$2.51 per month or \$30.13 per year (\$3.0454 per cubic meter)**
- 2025 - \$2.52 per month or \$30.23 per year (\$3.0459 per cubic meter)
- 2026 - \$2.57 per month or \$30.80 per year (\$3.0487 per cubic meter)

The water rates model originally prepared by Campbell Ryder and Associates has been updated for 2024 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	2025	2026
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	\$3,234,380	\$3,334,666	\$3,355,228	\$3,376,602
minus - Non Cash Items (Debt, ROE)	-\$511,030	-\$501,780	-\$491,580	-\$488,400	-\$476,520	-\$471,440	-\$461,360	-\$446,170	-\$438,080	-\$404,020	-\$391,980	-\$374,870
Total Cash Operating Expenditures	\$2,232,075	\$2,292,290	\$2,338,097	\$2,327,641	\$2,557,323	\$2,624,440	\$2,630,849	\$2,648,261	\$2,796,300	\$2,930,646	\$2,963,248	\$3,001,732
Net Depreciation	\$300,791	\$288,038	\$300,215	\$297,241	\$299,040	\$298,358	\$300,468	\$293,011	\$293,680	\$289,737	\$294,737	\$294,737
Return on Assets	\$271,000	\$260,000	\$250,000	\$240,000	\$235,000	\$230,000	\$220,000	\$210,000	\$202,000	\$192,000	\$183,000	\$183,000
Return on Debt	\$215,661	\$202,117	\$193,460	\$186,518	\$178,773	\$170,608	\$166,875	\$162,426	\$157,059	\$149,993	\$142,881	\$142,881
Total Gross Cost Allocated in Water Model	\$3,019,527	\$3,042,445	\$3,081,772	\$3,051,400	\$3,270,136	\$3,323,406	\$3,318,192	\$3,313,698	\$3,449,039	\$3,562,376	\$3,583,866	\$3,622,350

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

	Actual m³ Dec 31, 2022	m³ 2024	m³ 2025	m³ 2026
In-Town Customers (Ave 2507)	652,571 45.0%	700,000 48.0%	700,000 48.0%	700,000 48.0%
Highway 12/21 Customers	250,797	250,000	250,000	250,000
SMRWSC Customers	<u>537,476</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Total Out-of-Town Customers	788,273 55.0%	750,000 52.0%	750,000 52.0%	750,000 52.0%

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, Duhamel, Mirror and Bashaw have also been included in the consumption amounts for Hwy 12/21 Regional Water Commission.

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 2024 - 2026 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 ³	\$2.73 m ³	\$2.78 m ³	\$2.79 m ³	\$2.80 m ³	\$2.82 m ³	\$2.82 m ³	\$2.82 m ³	\$2.82 m ³	\$2.8977 m ³	\$3.0454 m ³	\$3.0459 m ³	\$3.0487 m ³
Annual Contributions	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Administration Services Recovery	\$200,000	\$200,000	\$200,000	\$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	\$202,980	\$195,870	
Water Meter Replacement Capital	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$75,000	\$75,000	\$75,000	\$80,000	\$80,000	\$80,000	\$80,000	
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	\$202,000	\$192,000	\$183,000	\$173,000	
Available for Water Capital (in lieu of depreciation)	\$255,725	\$208,632	\$202,716	\$176,314	\$94,969	-\$63,562	\$69,333	\$54,007	\$38,916	\$58,756	\$58,964	\$51,218	

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 m³ 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 \$1,233).

Of note, the \$10 per month flat fee currently recovers 38% (\$301,560 / \$803,014) of the combined Water Billing (\$101,000) and Water Transmission (\$702,014) expenses in the 2024 Operational Budget totaling \$803,014. The remaining 62% 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 benchmark was set to zero our variable water rate would increase to \$3.5105 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 \$30,156 in additional revenue, this is equivalent to a \$0.2375 m³ volume rate increase on a small household consuming 5 m³ per month, verses only a \$0.0594 m³ increase to an average household using 20 m³ per month.

- \$0.2375 x 5 m³ x 12 months = \$14.25
- \$0.0594 x 20m³ x 12 months = \$14.25

Option: A \$1.00 per month change in the fixed component rate will generate \$30,156 in additional revenue. At \$11 per month the Town would then recover an estimated 41.3% (\$331,716 / \$803,014) 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	\$22.75	\$0.00
2023	\$23.00	\$0.25
2024	\$23.25	\$0.25
2025	\$23.50	\$0.25
2026	\$23.75	\$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 **\$23.25 (2024 proposed rate)** per month, whichever is the greater. Therefore, as water rates increase, commercial properties using more than approximately 19.09 m³ of water per month will pay more for sewage disposal as well.

The 2024 – 2026 Interim Operating Budget proposes three (3) consecutive year \$0.25/month increases in the flat rate for residential customers. Each \$0.05 increase from the **2024 proposed rate of \$23.25** would generate an additional \$1,508 from residential customers while the \$0.01 per m³

proposed water rate increase will generate an additional \$1,233 in sewer revenues from commercial properties.

The following is a summary the 2024 sewer revenue forecast by class of customer:

	#		2023 Water Consumption		2024 Sewer Revenue	
Commercial Properties	387	15.3%	275,000 m ³	46.6%	\$353,266	36.3%
Residential Properties:	2145	84.7%	315,000 m ³	53.4%	\$598,455	63.7%
	2532		590,000 m ³		\$951,721	(\$927,049 2023)

A summary of net revenue generated (for capital) within the 2024 – 2026 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	@\$23.50	@\$23.75
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Available for Capital Funding	\$260,370	\$262,889	\$224,218	\$193,937	\$226,583	\$263,356	\$243,836	\$229,281	\$263,759	\$222,122	\$267,946	\$267,829

As a result, the 2024 Interim Operating Budget proposes a \$0.25 increase in the monthly residential sewer rate to \$23.25 per month.

Option: each \$0.05 residential rate change from the proposed 2024 rate of \$23.25 per month flat residential sewer charge will impact the budget by \$1,508 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	\$22.50	\$1.50
2017	\$23.00	\$0.50
2018	\$23.25	\$0.25
2019	\$23.50	\$0.25
2020	\$23.75	\$0.25
2021	\$23.75	\$0.00
2022	\$23.75	\$0.00
2023	\$24.25	\$0.50
2024	\$24.50	\$0.25
2025	\$24.75	\$0.25
2026	\$25.00	\$0.25

Historically residential flat garbage collection fees were as follows. Each \$0.05 increase from the **2024 proposed rate of \$24.50** would generate an additional \$1,344 from residential customers.

The proposed \$0.25/month increase in 2024 will generate \$6,720 in new revenue. This will offset 10% of the total cost increase in 2024 of \$66,309 (\$6,720 / \$66,309).

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
2026	\$80.00	\$3.00

The 2024 Interim Operating Budget also anticipates an \$3.00 increase to the SWMA per Capital to \$74.00 (\$71.00 in 2023) **Increase +\$17,856**. (\$3.00 x 5952). Projected increases in 2025/2026 will erode available for capital.

The Town of Stettler is currently under a 5-year contract with C&S Disposal (sold to E360 in 2023) for Residential collection of garbage (weekly), composting (bin locations) and recycling (bi-weekly) services. The 2024 Budget includes a 2.9% - \$9,663 increase. The current contract stipulates a 2% increase in 2024, however current inflation rates (September 2023) are 2.9% and administration believes a 2.9% increase is more in line with current

economic conditions. An amendment should be made to the next contract to include % or cost of living (based on October Alberta All In) whichever is greater." The current agreement expires December 31, 2023. Administration will be tendering the new contract in September 2024. The Extended Producer Responsibility (EPR) will come into effect in April 2025. This will factor into the new contract tendering process. Municipalities that enroll in the EPR Program will not be

responsible for collection or the funding of collection of recycled materials within their boundaries. The Town of Stettler has enrolled in the EPR program (Council motion – November 21, 2023)

Contracted Garbage Collection Costs & Recycling Collection				C&S Disposal - 5 year Contract - Jan 1, 2020 - Dec 31, 2024									
	Original Tender - Nov 2019	2020	2021	2022 - Contract (Budget)	2022 - Contract - to July 1, 2022	2022 - CPI - after July 1, 2022	2023 - CPI	2024 - Contract 2% / CPI 2.9% (Alberta - July)	2025 - CPI (no contract)	2026 - CPI (no contract)			
Garbage Collection:	addition of 13 Tower Rd			2% rate increase	2% rate increase	7.10%	4.00%	2.90%	2.00%	2.00%			
Rate per unit:	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.10	\$ 5.10	\$ 5.36	\$ 5.57	\$ 5.73	\$ 5.85	\$ 5.96			
# of Months:	12	12	12	12	6	6	12	12	12	12			
# of Units:	2185	2198	2228	2235	2235	2235	2240	2245	2245	2245			
Budget estimate:	\$ 131,100.00	\$ 131,880.00	\$ 133,680.00	\$ 136,782.00	\$ 68,391.00	\$ 71,810.55	\$ 149,700.10	\$ 154,385.24	\$ 157,472.95	\$ 160,622.40			
Municipal Waste Bins - 14 Bins								149.00 x 12 x 14bins					
Rate per bin/mo.	\$ 130.00	\$ 130.00	\$ 130.00	\$ 132.60	\$ 132.60	\$ 139.23	\$ 144.80	\$ 149.00	\$ 151.98	\$ 155.02			
# of Months:	12	12	12	12	6	6	12	12	12	12			
Budget estimate:	\$ 21,840.00	\$ 21,840.00	\$ 21,840.00	\$ 22,276.80	\$ 11,138.40	\$ 11,695.32	\$ 24,326.27	\$ 25,031.73	\$ 25,532.36	\$ 26,043.01			
Municipal Recycling per week								5.30 x 52					
Rate per bin/mo.	\$ 4.62	\$ 4.62	\$ 4.62	\$ 4.71	\$ 4.71	\$ 4.95	\$ 5.15	\$ 5.30	\$ 5.40	\$ 5.51			
# of Months:	12	12	12	12	6	6	12	12	12	12			
Budget estimate:	\$ 240.24	\$ 240.24	\$ 240.24	\$ 244.92	\$ 122.46	\$ 128.65	\$ 267.59	\$ 275.35	\$ 280.86	\$ 286.47			
Total Contracted Garbage Collection:	<u>\$ 153,180.24</u>	<u>\$ 153,960.24</u>	<u>\$ 155,760.24</u>	<u>\$ 159,303.72</u>	<u>\$ 79,651.86</u>	<u>\$ 83,634.52</u>	<u>\$ 174,293.95</u>	<u>\$ 179,692.32</u>	<u>\$ 183,286.16</u>	<u>\$ 186,951.89</u>			
	2020	2020	2021	2022	2022	2022	2023	2024	2025	2026			
Composting Collection -								13.75 x 64 x 23					
Unit price	\$ 12.00	\$ 12.00	\$ 12.00	\$ 12.24	\$ 12.24	\$ 12.85	\$ 13.37	\$ 13.75	\$ 14.03	\$ 14.31			
# of Pick-up Days / year: (Tuesdays & Thursdays - April 1 to November 11)	64	64	64	64	26	38	64	64	64	64			
# of bins:	23	23	23	23	23	23	23	23	23	23			
Pro Rated Budget Estimate	<u>\$ 17,664.00</u>	<u>\$ 17,664.00</u>	<u>\$ 17,664.00</u>	<u>\$ 18,017.28</u>	<u>\$ 7,319.52</u>	<u>\$ 11,232.65</u>	<u>\$ 19,674.87</u>	<u>\$ 20,245.44</u>	<u>\$ 20,650.35</u>	<u>\$ 21,063.36</u>			
	2020	2020	2021	2022	2022	2022	2023	2024	2025	2026			
Recycling Collection:								2205 x 2.12 x 52/2					
Unit Price	\$ 1.85	\$ 1.85	\$ 1.85	\$ 1.89	\$ 1.89	\$ 1.98	\$ 2.06	\$ 2.12	\$ 2.16	\$ 2.21			
# of Months:	12	12	12	12	6	6	12	12	12	12			
# of Units:	2160	2173	2188	2195	2195	2195	2200	2205	2205	2205			
Budget Estimate: (Bi-weekly)	\$ 103,896.00	\$ 104,521.30	\$ 105,242.80	\$ 107,862.30	\$ 53,931.15	\$ 56,537.82	\$ 117,866.55	\$ 121,560.33	\$ 123,991.53	\$ 126,471.36			
Total Yearly Budget - pro-rated Composting	<u>\$ 274,740.24</u>	<u>\$ 276,145.54</u>	<u>\$ 278,667.04</u>	<u>\$ 285,183.30</u>	<u>\$ 140,902.53</u>	<u>\$ 151,404.99</u>	<u>\$ 311,835.37</u>	<u>\$ 321,498.08</u>	<u>\$ 327,928.05</u>	<u>\$ 334,486.61</u>			
				\$ 6,516.26	\$ 7,124.22	\$ 292,307.52	\$ 19,527.85	\$ 9,662.72	\$ 6,429.96	\$ 6,558.56			

The 2024 Interim Operating Budget proposes a \$0.25 increase to the monthly residential garbage rate to \$24.50 per month.

A summary of net revenue generated in the 2024 – 2026 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	@\$24.25	@\$24.50	@\$24.75	@\$25.00
Net Landfill and Garbage Operations	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Available for Capital Funding	\$86,789	\$88,686	\$82,767	\$56,677	\$55,605	\$55,158	\$75,945	\$58,092	\$41,625	\$23,778	\$9,107	-\$5,510
# of Users	2,170	2,175	2,180	2,185	2,190	2,190	2,228	2,235	2,240	2,240	2,240	2,240

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
2025	\$7.50	\$0.25

Historically residential flat recycling collection fees were as follows. Each \$0.05 increase from the **2024 proposed rate of \$7.00** would generate an additional \$1,320 from residential customers.

The proposed \$0.25/month increase in 2024 will generate \$6,600 in new revenue. This will offset the total cost increase in 2024 of \$4,773. The amount available for capital will increase by \$1,827.

A summary of net revenue generated in the 2024 – 2026 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	@\$6.75	@\$7.00	@\$7.25	@\$7.25
Recycling /Composting Operations	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Available for Capital Funding	\$26,399	\$19,210	\$20,280	\$18,510	\$19,665	\$46,636	\$35,927	\$33,501	\$28,918	\$30,745	\$34,248	\$37,816
# of Users	2,135	2,145	2,150	2,160	2,160	2,160	2,188	2,195	2,200	2,200	2,200	2,200

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 +/- \$1,344 annually.

Option: Each \$0.05 change in monthly residential recycling collection rates will impact the budget by +/- \$1,320 annually.

2024 – 2026 Operating Budget Conclusion Sample Property Summary

	2019	2020	2021	2022	2023	2024	2024	Diff
Assessment	\$265,140	\$265,140	\$265,140	\$265,140	\$265,140		\$265,140	
3% Tax (interim) 2024	\$1,837.63	\$1,856.01	\$1,856.01	\$1,856.01	\$1,930.25		\$1,988.16	\$57.91
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 / 2022 - \$2.82 / 2023 - \$2.8977 / 2024 - \$3.0454)	\$571.20	\$575.28	\$575.28	\$575.28	\$591.13	\$3.0454 x 17m3 x 12	\$621.26	\$30.13
Water Fixed Rate - \$10.00 per Month	\$120.00	\$120.00	\$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 / 2022 - \$22.75 / 2023 - \$23.00 / 2024 - \$23.25)	\$270.00	\$273.00	\$273.00	\$273.00	\$276.00	\$23.25 x 12	\$279.00	\$3.00
Garbage Fixed Rate per Month - (2017 = \$23.00 / 2018 = \$23.25 / 2019 = \$23.50 / 2020 - \$23.75 / 2021 - \$23.75 / 2022 - \$23.75 / 2023 - \$24.25 / 2024 - \$24.50)	\$282.00	\$285.00	\$285.00	\$285.00	\$291.00	\$24.50 x 12	\$294.00	\$3.00
Recycling Fixed Rate - (2017 - \$6.25 / 2018 - \$6.25 / 2019 - \$6.50 / 2020 = \$6.50 / 2021 - 6.50 / 2022 - \$6.50 / 2023 - \$6.75 / 2024 - \$7.00)	\$78.00	\$78.00	\$78.00	\$78.00	\$81.00	\$7.00 x 12	\$84.00	\$3.00
Total	\$3,158.83	\$3,187.29	\$3,187.29	\$3,187.29	\$3,289.38		\$3,386.42	\$97.04
	\$90.44	\$28.46	\$0.00	\$0.00	\$102.09		\$97.04	2.95%
Overall Percentage Change	2.95%	0.90%	0.00%	0.00%	3.20%			

Alternative 2024 Incremental Financial Impacts on the Budget and on the Average Residential Customer:

Incremental Financial Impact on Customer/ Property Owner:	Impact on Interim Budget
Proposed Municipal Tax increase of 3%	+\$220,046
Each 1% Municipal Tax Increase	+\$63,019
Proposed Water Rate increase of \$0.1477m³ (\$3.0454 - \$2.8977)	+\$87,901
Each \$0.01 Water Rate increase per month	+\$5,902
Generates automatic commercial Sewer Revenue	+\$1,233
Each \$1 fixed Water Rate increase per month = \$12/year	+\$30,156
Proposed Sewer Rate increase of \$0.25 (\$23.25 - \$23.00)	+\$7,539

Each \$0.05 fixed Sewer Rate increase per month = \$0.60/year/res	+\$1,508
Proposed Garbage Rate increase of \$0.25 (\$24.50 - \$24.25)	+\$6,720
Each \$0.05 fixed Garbage Rate increase per month = \$0.60 per year	+\$1,344
Proposed Recycling Rate increase of \$0.25 (\$7.00 - \$6.75)	+\$6,600
Each \$0.05 fixed Recycling Rate increase per month = \$0.60 per year	+\$1,320

2024 Financial Requests

- Central Alberta Child Advocacy Centre - \$50,000
 - ✓ \$10,000 / year for 5 years

Not Included in 2024 Interim Budget (carry forward to 2024 Tax Budget in May)

- CUPE Negotiations
- Insurance adjustments
- SWMA Requisition adjustment (currently \$3.00 increase)

	2020 Post COVID - May 2020	2020 Pre COVID - Dec 2019	2021	2022	2023	2024	2025	2026
	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³	\$10/month plus 590,000 m ³
	300,000 Res / 290,000 NRes 2105 Res / 370 Nres (units)	300,000 Res / 290,000 NRes 2105 Res / 370 Nres (units)	300,000 Res / 290,000 NRes 2106 Res / 370 Nres (units)	300,000 Res / 290,000 NRes 2110 Res / 375 Nres (units)	300,000 Res / 290,000 NRes 2120 Res / 387 Nres (units)	300,000 Res / 290,000 NRes 2125 Res / 388 Nres (units)	300,000 Res / 290,000 NRes 2125 Res / 388 Nres (units)	300,000 Res / 290,000 NRes 2125 Res / 388 Nres (units)
	\$2.8200m ³	\$2.8200m ³	\$2.8200m ³	\$2.8200 m ³	\$2.8977 m ³	\$3.0454 m ³	\$3.0459 m ³	\$3.0487 m ³
Revenue - Water	\$ 3,032,318	\$ 3,147,098	\$ 3,147,358	\$ 3,148,438	\$ 2,238,267	\$ 3,393,422	\$ 3,414,192	\$ 3,427,820
Expenditures - Water	\$ 3,095,880	\$ 3,095,880	\$ 3,078,025	\$ 3,094,431	\$ 2,099,337	\$ 3,334,666	\$ 3,355,228	\$ 3,376,602
Net Budget Impact	\$ (63,562)	\$ 51,218	\$ 69,333	\$ 54,007	\$ 138,930	\$ 58,756	\$ 58,964	\$ 51,218
Net Depreciation, not included	\$ 298,358	\$ 298,358	\$ 300,468	\$ 293,011	\$ 297,329	\$ 293,386	\$ 293,386	\$ 293,386
Debtenture Principal, included	\$ 154,780	\$ 154,780	\$ 161,640	\$ 163,700	\$ 151,945	\$ 154,000	\$ 157,450	\$ 157,000
Plus R.O.I. Included in Exp.	\$ 230,000	\$ 230,000	\$ 220,000	\$ 210,000	\$ 133,336	\$ 200,000	\$ 200,000	\$ 200,000
Debtenture Interest, included in Exp.	\$ 80,660	\$ 80,660	\$ 73,720	\$ 66,470	\$ 42,004	\$ 52,020	\$ 45,530	\$ 38,870
	2020 2057 (units)	2020 2057 (units)	2021 2057 (units)	2022 2057 (units)	2023 2141 (units)	2024 2145 (units)	2025 2145 (units)	2026 2145 (units)
	\$22.75/month	\$22.75/month	\$22.75/month	\$22.75/month	\$23.00/month	\$23.25/month	\$23.50/month	\$23.75/month
Revenue - Sewer	\$ 905,963	\$ 950,675	\$ 950,701	\$ 950,701	\$ 613,588	\$ 1,013,741	\$ 1,020,176	\$ 1,026,611
Expenditures - Sewer	\$ 642,607	\$ 642,607	\$ 706,865	\$ 727,420	\$ 456,168	\$ 791,619	\$ 752,230	\$ 758,782
Net Budget Impact	\$ 263,356	\$ 308,068	\$ 243,836	\$ 223,281	\$ 157,420	\$ 222,122	\$ 267,946	\$ 267,829
Debtenture Princ & Int	\$ 160,940	\$ 160,940	\$ 160,900	\$ 160,860	\$ 143,075	\$ 153,470	\$ 115,160	\$ 115,120
	2020 2187 (units)	2020 2187 (units)	2021 2228 (units)	2022 2235 (units)	2023 2240 (units)	2024 2240 (units)	2025 2240 (units)	2026 2240 (units)
	\$23.75/month	\$23.75/month	\$23.75/month	\$23.75/month	\$24.25/month	\$24.50/month	\$24.75/month	\$25.00/month
Revenue - Garbage	\$ 655,790	\$ 655,790	\$ 666,125	\$ 668,602	\$ 445,791	\$ 692,438	\$ 699,937	\$ 707,211
Expenditures - Garbage	\$ 600,632	\$ 642,566	\$ 590,180	\$ 610,510	\$ 431,263	\$ 668,660	\$ 690,830	\$ 712,721
Net Budget Impact	\$ 55,158	\$ 13,224	\$ 75,945	\$ 58,092	\$ 14,528	\$ 23,778	\$ 9,107	\$ (5,510)
	2020 2160 (units)	2020 2160 (units)	2021 2188 (units)	2022 2195 (units)	2023 2200 (units)	2024 2200 (units)	2025 2200 (units)	2026 2200 (units)
	\$6.50/month	\$6.50/month	\$6.50/month	\$6.50/month	\$6.75/month	\$7.00/month	@ \$7.25/month	@ \$7.50/month
Revenue - Recycling	\$ 168,870	\$ 168,870	\$ 170,664	\$ 171,210	\$ 118,734	\$ 184,800	\$ 191,400	\$ 198,000
Expenditures - Recycling/Compost	\$ 122,234	\$ 151,450	\$ 134,737	\$ 137,709	\$ 96,440	\$ 154,055	\$ 157,152	\$ 160,184
Net Budget Impact	\$ 46,636	\$ 17,420	\$ 35,927	\$ 33,501	\$ 22,294	\$ 30,745	\$ 34,248	\$ 37,816
Combined Net Budget Impact:	\$ 301,588	\$ 389,930	\$ 425,041	\$ 368,881	\$ 333,172	\$ 335,401	\$ 370,265	\$ 351,353
	\$ 247,659	\$ 635,497	\$ 318,422	\$ 330,690	\$ 2,674,178	\$ 547,518	\$ 510,152	\$ 681,848
	\$ 549,247	\$ 1,025,427	\$ 743,463	\$ 699,571	\$ 3,007,350	\$ 882,919	\$ 880,417	\$ 1,033,201
1/2% Municipal Tax Increase		\$ 31,509						
\$.01 increase in Municipal Water		\$ 5,902						
\$1 increase in Flat Fee Municipal WATER		\$ 30,156						
\$.01 increase in Municipal Water (COM SEWER)		\$ 1,255						
\$.05 increase in Flat Fee Municipal SEWER		\$ 1,508						
\$.05 increase in Flat Fee Municipal GARBAGE		\$ 1,344						
\$.05 increase in Flat Fee Municipal RECYCLING		\$ 1,320						

Municipal Utility Comparison Summary

20.00 m ²	Totals		Water			Sanitary Sewer					Waste				
Municipality	Typical User /month	Typical User per year	Minimum or Fixed Charge /month	/m ³	Water Total /month	Minimum or Fixed Charge /month	/m ³	Sanitary Sewer Total /month	Storm Sewer /month	General Admin Fee	Solid Waste /month	Recycling /month	Yard Waste (Composting) /month	Year Bylaw Updated	Population
Mean:	\$145.36	\$1,744.38	\$25.82	\$2.66	\$74.24	\$19.59	\$1.87	\$45.80	\$4.50	\$3.68	\$21.35	\$5.76	\$2.48		6,941
Median (46):	\$143.32	\$1,719.84	\$22.95	\$2.80	\$74.07	\$20.00	\$1.61	\$43.08	\$5.00	\$3.35	\$21.76	\$5.25	\$2.80		5,252
Bonnyville	\$82.04	\$984.48	\$13.14	\$1.96	\$52.29		\$0.65	\$13.05			\$13.16	\$3.54		2023	5,417
Delburne	\$93.26	\$1,119.12	\$28.35	\$1.45	\$57.35	\$13.50		\$13.50			\$16.00	\$4.91	\$1.50	2022	892
Crowsnest Pass	\$98.97	\$1,187.64	\$35.23		\$35.23			\$35.23			\$25.31	\$3.20		2022	5,565
St. Paul	\$101.76	\$1,221.12	\$14.38	\$1.60	\$46.38	\$13.38	\$1.20	\$37.38		\$2.00	\$13.50	\$2.50		2023	5,827
Bawlf	\$101.80	\$1,221.60	\$51.30		\$51.30	\$32.00		\$32.00			\$13.00	\$5.50		2023	422
Vegreville	\$106.17	\$1,274.04	\$6.50	\$3.34	\$73.30	\$4.70	\$0.39	\$5.87	\$6.00	\$6.00	\$7.00	\$8.00		2023	5,708
Sedgewick	\$110.32	\$1,323.84	\$20.00	\$2.10	\$42.00	\$20.00	\$0.75	\$35.00			\$33.32			2023	811
Big Valley	\$111.67	\$1,340.04	\$25.50	\$2.80	\$81.50	\$20.00		\$20.00			\$8.50	\$1.67		2023	346
Banff	\$120.72	\$1,448.68	\$5.64	\$1.08	\$27.24	\$17.90	\$2.70	\$71.90			\$21.58			2023	7,851
Barrhead	\$121.48	\$1,457.76	\$30.00	\$2.44	\$78.80	\$10.50	\$0.85	\$27.58			\$15.10			2023	4,579
Stettler 2023	\$121.95	\$1,463.45	\$10.00	\$2.90	\$67.95	\$23.00		\$23.00			\$24.25	\$6.75		2023	2,620
Stettler	\$125.66	\$1,507.90	\$10.00	\$3.05	\$70.91	\$23.25		\$23.25			\$24.50	\$7.00		2024	5,952
Red Deer	\$126.46	\$1,517.52	\$17.05	\$1.69	\$50.85	\$20.50	\$1.72	\$51.46			\$19.50	\$4.65		2023	100,418
Drumheller	\$126.96	\$1,523.54	\$17.57	\$2.24	\$62.34	\$15.01	\$2.41	\$53.62			\$8.00	\$3.00		2023	7,982
Veteran	\$128.80	\$1,545.60	\$15.00	\$3.79	\$90.80	\$14.00		\$14.00			\$24.00			2023	207
Donalda	\$133.00	\$1,596.00	\$25.00	\$3.70	\$99.00	\$11.00		\$11.00			\$23.00			2023	219
Redcliff	\$133.91	\$1,606.92	\$44.56	\$1.16	\$67.76	\$40.16		\$40.16			\$25.99			2023	5,600
Rocky Mtn. House	\$134.22	\$1,610.64	\$29.75	\$1.64	\$62.55	\$14.15	\$1.50	\$44.15			\$27.52			2023	6,635
Hanna	\$136.00	\$1,632.00	\$27.50	\$3.00	\$87.50	\$15.00	\$0.30	\$21.00			\$27.50			2023	2,559
Killam	\$136.50	\$1,638.00	\$22.50	\$1.85	\$59.50	\$20.00	\$1.10	\$42.00			\$35.00			2022	989
Sylvan Lake	\$137.79	\$1,653.48	\$40.22	\$0.89	\$40.22	\$25.81	\$2.86	\$71.57			\$19.50	\$6.50		2023	14,816
Trochu	\$139.55	\$1,674.60	\$15.00	\$3.88	\$92.60	\$5.00	\$0.86	\$22.20			\$20.00	\$4.75		2023	1,058
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
Jasper	\$143.14	\$1,717.68	\$20.67	\$0.70	\$34.67	\$15.57	\$0.20	\$59.57			\$32.99	\$15.92		2023	5,236
Camrose	\$143.50	\$1,722.00	\$29.13	\$2.12	\$71.53	\$29.16	\$0.94	\$47.96			\$15.21	\$6.00	\$2.80	2023	18,742
Castor	\$144.05	\$1,728.56	\$70.00	\$3.30	\$91.05	\$30.00		\$30.00			\$23.00			2021	929
Drayton Valley	\$145.20	\$1,742.40	\$20.50	\$2.30	\$66.50		\$2.75	\$55.00		\$4.70	\$19.00			2023	7,235
Westlock	\$146.64	\$1,759.68	\$24.93	\$3.15	\$87.93	\$7.91	\$0.95	\$26.81	\$3.00	\$2.00	\$26.90			2023	5,101
Ponoka	\$146.90	\$1,762.80	\$21.98	\$2.78	\$77.58	\$24.31	\$0.79	\$40.11			\$21.94	\$7.27		2023	7,229
Coronation	\$149.50	\$1,794.00	\$49.00	\$3.10	\$111.00	\$22.00		\$22.00			\$16.50			2023	940
Consort	\$150.84	\$1,810.11	\$42.25	\$4.79	\$110.84	\$12.00		\$12.00			\$28.00			2023	729
Wainwright	\$154.30	\$1,851.60	\$18.50	\$3.59	\$90.30	\$20.00	\$1.00	\$38.00	\$5.00		\$14.50	\$6.50		2023	6,270
Three Hills	\$164.21	\$1,970.52	\$18.96	\$3.73	\$93.56	\$23.75	\$1.02	\$44.15			\$18.50	\$8.00		2023	3,212
Devon	\$164.84	\$1,978.08	\$14.94	\$1.77	\$50.34	\$37.50	\$2.30	\$83.50			\$31.00			2023	6,578
Didsbury	\$165.47	\$1,985.64	\$16.86	\$4.50	\$106.84	\$8.31	\$1.47	\$37.71			\$13.15	\$4.60	\$3.15	2023	5,268
Carstairs	\$165.96	\$1,991.52	\$14.00	\$3.08	\$75.60	\$6.24	\$1.85	\$66.36			\$24.00			2023	4,077
Penhold	\$167.25	\$2,007.00	\$19.20	\$1.46	\$48.40	\$15.75	\$3.78	\$91.35	\$5.50		\$22.00			2023	3,277
Bowden	\$168.00	\$2,016.00	\$10.00	\$3.10	\$72.00	\$10.00	\$3.20	\$74.00			\$11.00	\$11.00		2023	1,240
Peace River	\$169.02	\$2,028.24	\$32.42	\$3.32	\$98.82	\$28.09	\$2.26	\$45.20			\$25.00			2023	6,842
Innisfail	\$179.20	\$2,150.40	\$10.00	\$2.86	\$67.20	\$10.00	\$3.80	\$86.00	\$3.00		\$18.00	\$5.00		2023	7,847
Blackfalds	\$179.63	\$2,155.56	\$23.40	\$2.80	\$79.40	\$20.88	\$3.12	\$70.80			\$29.43			2023	9,328
Bashaw	\$181.08	\$2,172.90	\$37.75	\$3.69	\$111.55	\$20.00		\$55.78			\$13.75			2023	830
Lacombe	\$187.40	\$2,248.80	\$30.11	\$2.77	\$85.51	\$21.86	\$2.89	\$68.10			\$33.79			2023	13,057
Daysland	\$193.38	\$2,320.56	\$46.83	\$2.00	\$86.83	\$42.55	\$1.00	\$62.55			\$41.00	\$3.00		2023	824
Alix	\$204.18	\$2,450.16	\$37.50	\$3.35	\$104.50	\$26.25	\$2.25	\$71.25			\$22.50	\$5.93		2023	734
Olds	\$211.93	\$2,543.16	\$12.83	\$3.10	\$74.83	\$18.40	\$4.72	\$112.80			\$24.30			2023	9,184
Vermilion	\$213.49	\$2,561.88	\$41.84	\$4.05	\$122.84	\$16.26	\$2.52	\$66.66			\$20.60	\$3.39		2023	4,084
Legend:															
population 4000-8000															
pop'n and regional comparable															
regional comparables															