

A scenic photograph of a lake with large rocks in the foreground and a cloudy sky. The water is calm, reflecting the sky and the rocks. The sky is filled with soft, white clouds, and the overall atmosphere is peaceful and natural.

Big Lakes County

2019 Final Operating Budget

Big Lakes County
2019 FINAL Operating Budget - by Object

	2018 Final Budget	2019 INTERIM Budget	2019 FINAL Budget	Change: 2018 to 2019	Notes
REVENUES					
Property taxes	(26,603,538)	(27,201,453)	(28,743,724)	(2,140,185)	1
User fees and sales of goods	(2,553,283)	(2,622,270)	(2,645,270)	(91,987)	2
Government transfers for operating	(1,214,965)	(947,167)	(1,042,527)	172,438	3
Interest and investment income	(400,000)	(400,000)	(400,000)	-	
Oil well drilling taxes	(250,000)	(250,000)	(250,000)	-	
Penalties and costs on taxes	(206,000)	(257,000)	(557,000)	(351,000)	4
Other	(86,600)	(104,315)	(104,315)	(17,715)	
Fines	(3,000)	(3,000)	(3,000)	-	
TOTAL REVENUES	(31,317,386)	(31,785,204)	(33,745,835)	(2,428,449)	
EXPENSES					
Materials, goods and contracted and general services	14,168,975	13,734,472	14,870,440	701,465	4, 5
Salaries, wages and benefits	6,157,595	6,108,322	6,240,601	83,006	6
Transfers for other governments	10,226,934	10,016,856	10,427,403	200,469	
Repairs and maintenance	751,000	757,500	769,000	18,000	
Utilities	431,200	437,400	437,400	6,200	
Interest on long-term debt	150,757	122,182	122,182	(28,575)	
Insurance	200,474	207,920	211,920	11,446	
TOTAL EXPENSES	32,086,936	31,384,653	33,078,946	992,010	
(SURPLUS)/DEFICIT FROM REGULAR OPERATIONS	769,550	(400,552)	(666,890)	(1,436,439)	
Repayment of principal on long-term debt	754,871	783,446	783,446	28,575	
Transfers to/from reserves					
Contributions to capital reserves	1,542,500	1,607,500	1,607,500	65,000	
Contributions to operating reserves	2,000	52,000	52,000	50,000	
Drawn from capital reserves for operating	-	(250,000)	(250,000)	(250,000)	
Drawn from operating reserves	(3,066,721)	(1,792,394)	(1,526,057)	1,540,664	
Net (withdrawal from)/contribution to reserves	(1,522,221)	(382,894)	(116,557)	1,405,664	
OTHER TRANSACTIONS - AMORTIZATION EXPENSE	7,733,750	7,800,000	7,952,658	218,908	

Big Lakes County
2019 FINAL Operating Budget - by Function

	2018 Final Budget	2019 INTERIM Budget	2019 FINAL Budget	Difference: 2018 to 2019	Notes
00 Revenue - general	(27,489,838)	(28,127,753)	(29,970,024)	(2,480,185)	1
11 Council	665,000	641,500	646,500	(18,500)	
12 Administration/corporate services	3,071,728	3,203,186	3,432,306	360,577	7
15 Cost-sharing	3,000,798	2,675,798	2,746,894	(253,904)	8
61 Planning & development	470,819	438,735	491,407	20,588	
69 Deputy CAO/Economic Development	373,778	333,390	254,075	(119,703)	
97 Bad debts/writeoffs/contingencies	436,150	200,000	500,000	63,850	
98 Clearing Accounts	-	-	-	-	
99 Clearing Accounts	-	-	-	-	
Administration Services	(19,471,565)	(20,635,144)	(21,898,842)	(2,427,277)	
31 Public works administration and labour	898,195	770,204	795,704	(102,491)	9
32 Roads	9,080,353	9,381,748	9,909,928	829,575	10
33 Airports	191,200	176,340	176,340	(14,860)	
37 Drainage	235,000	139,000	139,000	(96,000)	11
66 Land sales	6,500	6,500	8,000	1,500	
Transportation Services	10,411,248	10,473,792	11,028,972	617,724	
20 Safety	50,428	65,939	106,083	55,655	
23 Fire	917,028	997,143	1,050,486	133,458	12
24 Emergency management	39,200	50,700	29,700	(9,500)	
26 Bylaw enforcement	388,361	432,629	437,629	49,268	
Protective Services	1,395,017	1,546,411	1,623,898	228,881	
41 Water	436,133	422,208	512,178	76,045	
42 Sewer	291,881	163,270	163,270	(128,610)	13
Utility Services	728,014	585,479	675,449	(52,565)	
71 Grants - operating	1,180,982	1,220,231	1,276,357	95,375	
72 Grants - capital	129,272	128,793	128,793	(479)	
74 Libraries	265,165	313,843	313,843	48,678	
Recreation and Culture Services	1,575,419	1,662,867	1,718,993	143,573	
43 Waste management	769,026	759,982	759,982	(9,044)	
51 FCSS	423,627	406,358	378,025	(45,602)	
56 Cemeteries	4,900	1,400	1,400	(3,500)	
63 Agriculture and Ag Service Board	560,416	423,863	424,069	(136,347)	14
84 Seniors requisition	283,256	283,256	285,015	1,759	
85 School requisition	4,857,223	4,874,632	5,119,597	262,375	
All Other	6,898,448	6,749,491	6,968,088	69,640	
(SURPLUS)/DEFICIT from Operations, including Principal Repayment on Debt	1,536,581	382,894	116,557	(1,420,024)	

Big Lakes County
2019 FINAL Multi-Year Operating Budget - by Object

	2018 Final Budget	2019 FINAL Budget	2020 Projection	2021 Projection	2022 Projection	Notes
REVENUES						
Property taxes	(26,603,538)	(28,743,724)	(29,663,813)	(30,618,410)	(32,148,547)	15
User fees and sales of goods	(2,553,283)	(2,645,270)	(2,671,762)	(2,698,469)	(2,757,709)	16
Government transfers for operating	(1,214,965)	(1,042,527)	(1,052,952)	(1,063,482)	(982,475)	16
Interest and investment income	(400,000)	(400,000)	(404,000)	(408,040)	(410,040)	16
Oil well drilling taxes	(250,000)	(250,000)	(252,500)	(255,025)	(256,275)	16
Penalties and costs on taxes	(206,000)	(557,000)	(562,570)	(568,196)	(746,481)	16
Other	(86,600)	(104,315)	(105,358)	(106,412)	(115,791)	16
Fines	(3,000)	(3,000)	(3,030)	(3,060)	(3,075)	16
TOTAL REVENUES	(31,317,386)	(33,745,835)	(34,715,986)	(35,721,093)	(37,420,393)	
EXPENSES						
Materials, goods and contracted and general serv	14,166,775	14,870,440	14,999,489	15,272,204	15,688,561	17
Salaries, wages and benefits	6,157,595	6,240,601	6,365,413	6,737,773	6,841,682	17
Transfers for other governments	10,226,934	10,427,403	10,635,951	10,791,015	10,995,524	17
Repairs and maintenance	751,000	769,000	784,355	798,813	815,491	17
Utilities	431,200	437,400	446,148	454,447	461,921	17
Interest on long-term debt	150,757	122,182	244,626	240,608	229,084	18
Insurance	200,474	211,920	216,158	220,378	228,221	17
TOTAL EXPENSES	32,084,736	33,078,946	33,692,139	34,515,238	35,260,482	
(SURPLUS)/DEFICIT FROM REGULAR OPERATIONS	767,350	(666,890)	(1,023,846)	(1,205,855)	(2,159,911)	
Repayment of principal on long-term debt	754,871	783,446	968,513	944,965	921,610	18
Transfers to/from reserves						
Contributions to capital reserves	1,542,500	1,607,500	1,800,000	1,900,000	2,028,750	
Contributions to operating reserves	2,000	52,000	52,000	52,000	52,000	
Drawn from capital reserves for operating	-	(250,000)	-	-	-	
Drawn from operating reserves	(3,066,721)	(1,526,057)	(1,796,666)	(1,691,110)	(842,449)	
Net (withdrawal from)/contribution to reserves	(1,522,221)	(116,557)	55,334	260,890	1,238,301	
OTHER TRANSACTIONS - AMORTIZATION EXPENSE	7,733,750	7,952,658	8,100,000	8,200,000	8,300,000	

Final Budget Notes

Note	Discussion on Changes from 2018
1	Property taxes have increased considerably from 2018 to 2019. Part of this change is due to an increase in assessments to all property classes, and in particular to the higher-value classes of linear properties and machinery and equipment. In addition, tax rates have been increased by the Consumer Price Index (CPI) for Alberta in the preceding year (3%) for residential and farmland, and by half of CPI (1.5%) for all non-residential property classes.
2	User fees and sales of goods have increased due to expected revenue from fuel sales at the High Prairie Airport, as the County has taken over responsibility for the fuelling system. Some of this revenue will be offset with additional expenses for fuel purchases.
3	Government transfers for operating have decreased from 2018 as several 2018 grant-funded projects are either completed or winding down.
4	Penalties and costs on taxes have been increased from prior year to align with expected trends in collection activities. The increase in revenues has been offset with an increase to bad debt expense.
5	Materials, goods and contracted and general services have increased significantly from 2018 to 2019. This is due largely to an increase in our expected contracted services lines for several projects including the reclamation of the Little Smoky gravel pit at an estimated cost of \$250,000, completion of additional pavement patching for \$125,000, completion of drainage maintenance projects at an estimated cost of \$100,000, and additional costs for gravel crushing.
6	Salaries, wages and benefits have increased slightly from prior year due partly to a 3% cost of living increase, as well as from the addition of several grant-funded positions.
7	Net cost of this function has increased due to numerous small projects being added in 2019 (ex. Asset management workshops), and project <u>grants</u> (ex., CARES, ICF) not recurring in 2019
8	2018 was an unusual year as it included a \$400K capital grant carryover for the Town of High Prairie. This is not expected to recur in 2019. This decrease is offset by a \$125K grant for the Little Smoky Ski Hill.
9	Budget decreased from prior year due to expected vacancy factor.
10	A number of factors are driving the increase from 2018. Significant additions include: the addition of gravel pit reclamation project of \$250,000 (which will be funded by withdrawal from reserve), re-allocation of salaries (from Ted L to several new positions within Public Works) at a cost of \$130,00, additional pavement patching at \$125,000 and several other small changes to align budgets to historic actuals.

Note	Discussion on Changes from 2018
11	Budget has decreased from prior year to align budgets with historic actuals
12	Budget increased from prior year due to alignment with historic actual results. Budget includes grant to Town of High Prairie fire department (increase of \$19K, or 15% over 2018 budget, as recommended by budget review committee)
13	Budget decreased from prior year due to alignment with historic actual results.
14	Budget decreased from prior year due to reallocations between departments and alignment with historic actual results.
15	Key assumptions for tax revenue include a 4% annual increase for 2020 through 2022 (combined increase resulting from assessment and tax rate increases)
16	Key assumption for non-tax revenue includes a 1% annual increase for 2020 through 2022.
17	Key assumption for all expenses is a 1-2% annual increase, depending on expense type.
18	Key assumption for debt repayment is the assumption of an additional \$4 million loan at 3% for 15 years, with repayments beginning in 2020.