

Town of Morinville 2018 Operating Budget

**First Reading – January 23, 2018
Second Reading – February 13, 2018
Third Reading – February 27, 2018**

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GENERAL INFORMATION

Under the *Municipal Government Act*, Morinville is required to prepare an annual operating budget for three calendar years. The 2018 Budget supports the Town's Vision and Mission:

VISION

A community's Vision provides a long-term picture of where or what the community wishes to be or become. The Vision also indicates what makes Morinville unique.

"Morinville, embracing our past; building pride in our future."

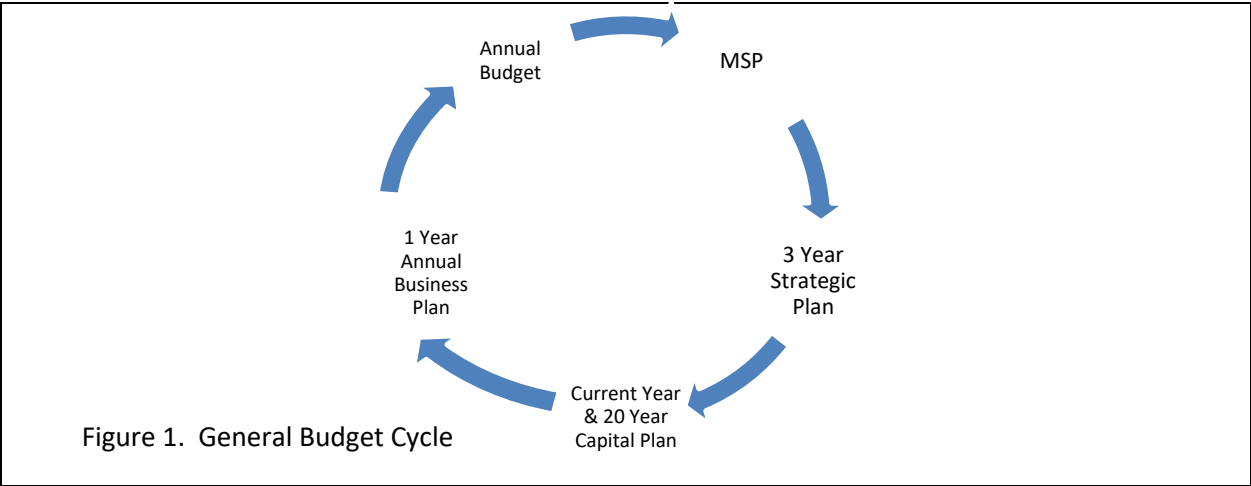
MISSION

Mission answers a question about what business the community is in. It lets readers know what Morinville does or provides and who benefits.

***"Working together to build a complete community for today and the
Future through our commitment to the well-being of Morinville."***

MUNICIPAL SUSTAINABILITY PLAN (MSP)

Morinville has adopted a Municipal Sustainability Plan (MSP) which is an overarching document that reflects the goals of Morinville through 2035. The MSP, in addition to a 3-year Strategic Plan and other planning documents, guides the preparation of the annual business plan (Figure 1). Prior to approving 2018 tax rates and utility levies, these documents, together with updated financial information for 2016, and year-to-date information for 2017 are provided to Council.



BUDGET REVIEW AND APPROVAL BY COUNCIL

For 2018, the following Budget timelines were approved by Council:

November 2017 Council Meeting: 1st Reading of 2018 Utility Bylaws received

December 5, 2017: MSP Review, 2018-2020 Strategic Planning Session

December 12, 2017 Council Meeting:

2nd & 3rd Reading of 2018 Utility Bylaws Received

2018 Budget Timeline Approved

2018 Interim Operating Budget passed

December 19, 2017 Committee of Whole: Community Group 2018 Budget Presentations

January 11-12, 2018: Council and Administration attended a budget retreat where the draft 20 year (2018-2038) Long Range Capital Plan and the 2018 Departmental Operating Budgets were reviewed.

January 23, 2018:

1st Reading of 2018 Operating and Capital Budget

2018 – 2020 Strategic Plan approved

January 26 through February 9, 2018: Public invited to provide input and feedback through Citizen Budget by visiting www.morinville.ca and by email at budget2018@morinville.ca

January 30, 2018: Budget Open House / Presentations. The 2018 – 2020 Strategic Plan, the 20 year (2018-2038) Long Range Capital Plan as well as the 2018 Operating Budget has been presented.

February 13, 2018 Council Meeting:

2nd Reading of the 2018 Operating and Capital Budget

February 13, 2018 Governance, Finance & Audit Committee Meeting:

Citizen Engagement draft report review

February 20, 2018 Committee of Whole Meeting: Citizen Engagement final report review

February 27, 2018 Council Meeting:

3rd Reading of the 2018 Operational and Capital Budget

March 13, 2018 Governance, Finance & Audit Committee Meeting:

Review budget process

BUDGET INFORMATION

The Budget information presented in this report is consolidated and organized into the categories of Tax Supported and Utility Supported. The information presented is intended to focus on departmental consolidation and functional areas in order to illustrate the services and programs offered by each area.

OPERATING BUDGET ASSUMPTIONS FOR 2018:

- ✓ Forecast – developed based on January to November Actuals and December budget
- ✓ Inflationary increase to major contracts – 2% unless otherwise noted in agreement
- ✓ Electricity Budget – Contract Summary (Enmax)
 - January 2015 – December 2018 \$52.38 / MWh
 - January 2019 – December 2020 \$50.86 / MWh

Commodity costs remain flat for the 2018 budget year. Delivery costs projected to increase at inflationary levels. Morinville’s proactive hedging strategy will see commodity unit costs drop by 3% effective 2019-2020.

| Year | Usage (MWh) | Cost (Pre GST) |
|-------------|-------------|----------------|
| 2014 Actual | 2,812 | \$684,239 |
| 2015 Actual | 2,891 | \$682,242 |
| 2016 Actual | 2,892 | \$673,387 |
| 2017 Budget | 2,905 | \$721,234 |
| 2018 Budget | 2,876 | \$737,179 |

✓ Natural Gas Budget – Contract Summary (Access Gas)

- December 2016 – November 2018 \$2.75 / GJ
- December 2018 – November 2022 \$2.47 / GJ

Commodity unit costs projected to remain flat for the 2018 budget year. Delivery costs projected to increase marginally. Carbon Tax is \$1.52 / GJ which represents an increase of \$0.50 / GJ effective January 1, 2018. This results in a projected annual cost increase of approx. \$5,825 over last year's increase of approx. \$17,000.

| Year | Usage (GJ) | Cost (Pre GST) |
|-------------|------------|----------------|
| 2014 Actual | 13,090 | \$107,182 |
| 2015 Actual | 11,759 | \$84,043 |
| 2016 Actual | 10,855 | \$78,252 |
| 2017 Budget | 12,216 | \$94,967 |
| 2018 Budget | 11,674 | \$95,940 |

✓ Franchise Fees

- ✓ Gas (Alta Gas) – 2018 estimated revenue \$686,096, an increase of \$71,492 or approx... 12% over 2017 Budget of \$614,604
- ✓ Power (Fortis) – 2018 estimated revenue \$1,008,846, an increase of \$62,267 or approx... 7% over 2017 Budget of \$946,579

✓ Salaries & Benefits

The 2017 Bi-Annual compensation review, legislative changes and cost of living allowance have all been incorporated into the budget effective January 1, 2018

Increase in Benefit Premiums = approx. 4%

LAPP Projection - 1% reduction effective January 1, 2018

New Proposed Permanent Staff for 2018:

- ✓ Each of the positions proposed are to effectively manage on-going growth and both internal and external demands within each of the divisions. The full time positions have been budgeted with an anticipated start for May 2018.

| <u>Division</u> | <u>Position</u> | <u>FTE = Full Time Equivalent</u> |
|--------------------------------|------------------------------|-----------------------------------|
| Office of CAO | Communications Support | 0.6 FTE |
| Public Works | Parks & Arena Operator | 1 FTE |
| Public Works | Utility Operator in Training | 1 FTE |
| Corporate & Financial Services | IT System Analyst | 1 FTE |

Note - 2nd reading of the budget amended the 0.6 permanent FTE position to a contract position.

- ✓ A number of other positions have been re-structured and/or re-classified Casual to Permanent. These re-allocations had minimal cost impact to the 2018 Operating Budget.

✓ **Recreation Centre**

2019 – 2020 Operating costs have been budgeted in draft form through referencing the existing business case and incorporating expected staffing levels, within the existing Arena department (reporting/budget structure to be reviewed in 2018). The Budget will be further reviewed in 2018 once Service Levels have been clearly established.

✓ Grant Revenue – Based on last year’s projections and any known agreements

✓ No projected change in fee policies have been incorporated into the 2018 budget

✓ **Utility Levy Projections**

Combined rates for Water, Sanitary and Waste Services increase of 1.9% for the average residential account effective Jan 1, 2018, Bylaws received 3rd reading Dec 12, 2017.

Total Projected Utility Cost per Household

| | 2018 | | 2017 | | \$ Change | | Annual % Increase |
|--------------|--------------------|------------------|--------------------|------------------|-----------------|----------------|-------------------|
| | Annual | Monthly | Annual | Monthly | Annual | Monthly | |
| Water | \$ 685.92 | \$ 57.16 | \$ 676.13 | \$ 56.34 | \$ 9.79 | \$ 0.82 | |
| Sanitary | 479.51 | 39.96 | 465.27 | 38.77 | 14.24 | 1.19 | |
| Total | 1,165.43 | 97.12 | 1,141.40 | 95.12 | \$ 24.03 | \$ 2.00 | |
| Waste | 252.60 | 21.05 | 250.80 | 20.90 | 1.80 | 0.15 | |
| Total | \$ 1,418.03 | \$ 118.17 | \$ 1,392.20 | \$ 116.02 | \$ 25.83 | \$ 2.15 | 1.86% |

✓ **Property Tax Projections**

Budget reflects a 2.5% increase in growth (based on historical growth) and a 0.96% municipal tax increase. Based on these calculations, the average residential account can expect to see an annual increase of approximately \$19.86 per year. Requisitions have been incorporated into the budget based on an estimated 2% increase. A 1% increase in taxes equates to approx. \$90,000.

Based on a : \$300,000 Assessment

2018 Municipal Tax - Budget Projection*

| Assessment Class | 0.96% Tax | Municipal Taxes | Increase in | 2017 | 2018 | % change | \$ Change/Yr |
|-------------------------|------------------|------------------------|--------------------|-------------|-------------|-----------------|---------------------|
| Residential | 6.96294 | \$ 7,762,667 | \$ 73,813 | \$ 2,069.02 | \$ 2,088.88 | 0.960% | \$ 19.86 |
| Non-Residential | 6.96294 | 1,052,714 | 10,010 | 2,069.02 | 2,088.88 | 0.960% | 19.86 |
| M & E | 6.96294 | 15,898 | 151 | 2,069.02 | 2,088.88 | 0.960% | 19.86 |
| Lodges | 6.96294 | - | - | 2,069.02 | 2,088.88 | 0.960% | 19.86 |
| Vacant Farmland | 33.57813 | 9,475 | 90 | 9,977.65 | 10,073.44 | 0.960% | 95.79 |
| Vacant Non-Residential | 19.26145 | 171,997 | 1,635 | 5,723.49 | 5,778.44 | 0.960% | 54.95 |
| TOTALS | | \$ 9,012,751 | \$ 85,700 | | | | |

2%

Education Taxes

| | | | | | | | |
|-----------------|----------|---------------------|------------------|-----------|-----------|----|----------|
| Residential | 2.618438 | \$ 2,849,978 | \$ 55,882 | \$ 770.13 | \$ 785.53 | 2% | \$ 15.40 |
| Non-Residential | 3.583351 | 562,575 | 11,031 | 1,053.93 | 1,075.01 | 2% | 21.08 |
| TOTALS | | \$ 3,412,554 | \$ 66,913 | | | | |

2%

Sturgeon Foundation Taxes

| | | | | | | | |
|------------------|----------|-------------------|-----------------|----------|----------|----|---------|
| Total Assessment | 0.098101 | \$ 125,327 | \$ 2,456 | \$ 28.85 | \$ 29.43 | 2% | \$ 0.58 |
| | | \$ 125,327 | \$ 2,456 | | | | 35.84 |

TOTAL

| | | |
|--------------------|--------------------|-----------------|
| \$ 2,868.00 | \$ 2,903.84 | \$ 35.84 |
|--------------------|--------------------|-----------------|

* The 2018 Operating Budget also indicates a 2.5% Municipal Growth projection

✓ **Operating Projects / Initiatives Proposed for 2018 Include:**

○ Human Resources / Payroll Services (on-going Initiative) - \$60K

The goal of this project is to streamline HR/Payroll Services through the use of co-managed services and/or new robust cloud based software. The focus of the initiative will be to develop a long term solution to delivering a cost effective and efficient internal delivery of service. Morinville's current software has limited functionality and is proving to be an inefficient platform to manage payroll and support HR (high volume of manual tasks). The goal is to launch a complete "*Human Capital Management System*" which offers expanded functionality and will be utilized by all staff. This project is being considered as an alternative to hiring new permanent resources and is expected to have a high return on investment by efficiently re-distributing staff to value added tasks and reducing the requirement for external support.

○ Recreation Master Plan / Trail Plan Update - \$50K

Our current plan is out of date. With the addition of two new schools and recreation facility and lands, it is imperative to update the plan to ensure proper long term planning in developed and maintained which will to ensure the quality of life is maintained for the residents of Morinville.

○ PW – Storm Utility Review - \$25K

The scope of this project will be to recruit external consulting services to evaluate the process of incorporating Storm Services into the Town's utility supported operations and update the Town's utility model and process to determine potential levies. This project is expected to return a high return on investment if implemented.

Supporting the Community

| Community Grants / Support | Department | 2018 Budget | 2017 Funding |
|--------------------------------------|-----------------------------|------------------------|-------------------------|
| Library Grant | Community Services | \$ 508,753 | 433,753 |
| Morinville Historical Grant - Museum | Community Services | 106,000 | 102,000 |
| Morinville Festival Society | Cultural Events Programming | 18,500 | 18,500 |
| | | * | 633,253 |
| FCSS - Partnership Funding | FCSS | 23,500 | |
| Grant Requests - Sport/Rec | Community Sport/Rec | 2,500 | |
| Grant Requests - Programming | Programming | 12,000 | |
| Victim Services | Protective Services | 7,500 | |
| Total Community Grants | | \$ 678,753 | |

| Community Events | Department Budget | |
|--|---------------------------------|------------------|
| Family Day Event / Snowman Festival | Cultural Events Programming | 5,000 |
| Easter Egg Hunt | Programming | 2,100 |
| Volunteer Appreciation | FCSS | 7,000 |
| Town Wide Garage Sale | Cultural Events Programming | 700 |
| French Heritage / Raising of the Flag | Cultural Events Programming | 7,000 |
| Operation Clean Sweep | Community Services/Public Works | 2,000 |
| Canada Day - Partnership | Cultural Events Programming | 16,500 |
| Communities in Bloom | Programming / Public Works | 1,000 |
| Incredible Edibles/August Fair | Cultural Events Programming /PW | 2,000 |
| Active Living Fair | Programming | 400 |
| Alberta Culture Days | Cultural Events Programming | 2,000 |
| Halloween Dance | Cultural Events Programming | 2,500 |
| Christmas Festival | Cultural Events Programming | 16,500 |
| Alexander Partnership /Freedom of the City | Cultural Events Programming | 12,535 |
| Total Community Events | | \$ 77,235 |

| Other Community Initiatives | Department Budget | |
|--|-----------------------------|-------------------|
| Community Services Advisory Committee / | FCSS | 4,000 |
| Cultural Programming/Workshops | Cultural Events Programming | 600 |
| Cultural Events - Other Community Events | Cultural Events Programming | 5,000 |
| Sporting Events | Community Sport/Rec | 8,000 |
| Total Other Community Initiatives | | \$ 17,600 |
| Total Community Support | | \$ 773,588 |

ACCOUNT GROUPING DETAIL:

Revenues:

- **Net taxation:** Municipal Taxes, Local Improvement Taxes, Requisitions paid
- **Water, Wastewater & Solid Waste:** Water, Wastewater & Solid Waste
- **Gov't Transfers:** Federal & Provincial Conditional grants
- **Penalties & Fines:** Tax/Utility Penalties, Photo Enforcement/Bylaw fines
- **Offsite Levies:** Roads, Sanitary & Water
- **Development Fees & Permits:** Business Licenses, Building permits, Sub-division appeals, Lot grading
- **Rentals:** Rental & Lease Revenue for all facilities
- **Investment Income:** Returns on Investments
- **Sales & User Charges:** RCMP Clearance revenue, Tax Certificates, Water Sales, Fire Billings
- **Other Revenues:** Developer contributions, cost recoveries, MCCC Ticket sales, Donations
- **Franchise Fees:** Gas & Power Franchise revenue

Expenses:

- **Salaries, Wages & Benefits:** Salaries, Wages, Benefits, Training
- **Contracted & General:** Mileage & Subsistence, Memberships, Contracted Services, Information Technology costs, Repairs & Maintenance, Legal & Audit, Policing Contract
- **Materials, goods & Supplies:** Office Supplies, Postage, Telecommunications, Insurance, Land Title / Board Expenses, Advertising, Subscriptions/Publications, Heat, Power, Advertising / Promotion, OH&S Committee Expenses, Uniforms/PPE, Gas & Diesel, Other Community Events
- **Other:** Financial Service Charges, Bad debts, Grants to Organizations (Museum, Festival Society, Library)

OPERATING BUDGET AMENDMENTS

The following is a summary of the Operating budget amendments passed by Council during budget deliberations:

| 1st Reading - Consolidated Operating Budget | | |
|--|--|------------------------------|
| Tax Supported (Required)/Contributed Funds | | \$ (1,181,773) |
| Utility Supported (Required)/Contributed Funds | | <u>1,772,286</u> |
| Total 1st Reading - Consolidated Operating Budget | | <u>\$ 590,513</u> |
| 2nd Reading - Operating Budget Amendments | | |
| Tax Supported Amendments: | | |
| Reduce | Chamber Trade Show | \$ (500) |
| Reduce | Oktoberfest Funding | (10,000) |
| Reduce | Contract Services (CAO-Communications) | (16,156) |
| Reduce | Service Level Review | (30,000) |
| Reduce | Fire Master Plan | (50,000) |
| Total 2nd Reading - Operating Budget Amendments | | <u>\$ (106,656)</u> |
| 3rd Reading - Operating Budget Amendments | | |
| Tax Supported Amendments: | | |
| Reduce | Easter Event | \$ (2,100) |
| 1 Reduce | Festival Society | \$ (9,715) |
| Reduce | Alexander First Nation / Freedom of City Event | \$ (7,465) |
| 2 Reduce | Morinville Public Library | (171,016) |
| 3 Reduce | Overall Operating Budget | <u>\$ (180,000)</u> |
| Total 3rd Reading - Operating Budget Amendments | | <u>\$ (370,296)</u> |
| Final Approved - Consolidated Operating Budget | | |
| 1st Reading - Tax Supported (Required)/Contributed Funds | | \$ (1,181,773) |
| 2nd Reading - Tax Supported Expense Reductions | 106,656 | |
| 3rd Reading - Tax Supported Expense Reductions | <u>370,296</u> | |
| Cumulative - Tax Supported Expense Reductions | 476,952 | |
| 3rd Reading - Tax Supported Revenue Reductions (Reduce Taxes from 6% to 0.96%) | <u>(452,501)</u> | |
| | 24,451 | |
| Final Tax Supported (Required)/Contributed Funds | | <u>\$ (1,157,322)</u> |
| Utility Supported (Required)/Contributed Funds | | 1,772,286 |
| 3rd Reading - Utility Supported Increase in Expense Allocation | | 3,599 |
| Final Utility Supported (Required)/Contributed Funds | | <u>1,775,885</u> |
| Total 3rd Reading - Consolidated Operating Budget | | <u>\$ 618,562</u> |

- 1 Initial request was \$28,215. Final approved budget \$18,500 (same funding as in 2017), designating funds for:
 - \$2,500 Fire Fighters Challenge
 - \$7,465 National Aboriginal Day
- 2 Initial request was \$679,769. Final approved budget \$508,753 (\$75,000 higher than 2017 funding)
- 3 \$180,000 less Long Term Financial Plan \$50,000 \$ 130,000

Tax Supported Operating Expenses

| | |
|--|------------------|
| PW Remove PW Summer Student - Dept 70 (Brad/Andrew Support) | (14,272) |
| CFS Remove (Jan - March) Information Management Technician | (16,446) |
| CFS Insurance Premium Reductions | (1,634) |
| OCAO Communications Support Position - Benefits/LAPP Savings | (18,148) |
| OCAO Deferred CAO Hiring/Salary from Budget | (15,500) |
| CPS Enforcement Services - Reduced Contract Services budget | (18,000) |
| CPS Cultural Contract Services - Reduced | (5,000) |
| PED Contract Services | (15,000) |
| Total Tax Supported Operating Expense Reductions | (104,000) |

Tax Supported Operating Revenues

| | |
|--|---------------|
| CPS RCMP Clerk Agreement to 1.5 vs 1.25 Cost Recovery | 18,000 |
| PW Increase in Open Space Revenue (from \$10K) | 8,000 |
| Total Tax Supported Operating Revenue Increases | 26,000 |

| | |
|--------------------------|---------------|
| Total Deficit Reductions | (130,000) |
| | <u>\$ (0)</u> |

**Town of Morinville
2018 Consolidated Budget**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|--------------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Revenue: | | | | | | | |
| Net Taxation | 8,168,768 | 8,734,485 | 8,978,253 | 9,227,234 | 9,340,103 | 9,656,741 | 10,087,432 |
| Franchise Fees | 1,396,973 | 1,474,758 | 1,561,283 | 1,561,282 | 1,694,942 | 1,800,000 | 1,900,000 |
| Sales to Other Governments | 873,856 | 769,424 | 813,459 | 709,046 | 785,991 | 754,486 | 763,910 |
| Government Transfers | 3,855,807 | 1,881,959 | 755,261 | 803,746 | 866,690 | 956,741 | 956,741 |
| Penalties & Fines | 585,009 | 656,516 | 682,577 | 641,223 | 587,577 | 587,577 | 587,577 |
| Development Fees & Permits | 298,251 | 288,830 | 336,300 | 322,571 | 331,500 | 332,500 | 333,500 |
| Rentals | 228,406 | 540,391 | 350,898 | 284,092 | 318,420 | 488,196 | 582,196 |
| Investment Income | 169,867 | 164,124 | 170,000 | 143,927 | 150,000 | 150,000 | 150,000 |
| Sales & User Charges | 162,923 | 77,080 | 70,200 | 103,344 | 77,000 | 86,000 | 86,000 |
| Offsite Levies | 377,067 | 227,289 | | | | | |
| Other Revenues | 1,403,150 | 257,171 | 188,193 | 190,133 | 180,103 | 157,203 | 157,203 |
| Water, Wastewater & Solid Waste Fees | 4,985,507 | 5,083,288 | 5,253,969 | 5,177,237 | 5,636,534 | 5,619,741 | 5,698,865 |
| Total Revenue | 22,505,584 | 20,155,315 | 19,159,794 | 19,163,835 | 19,968,860 | 20,589,185 | 21,303,424 |
| Expense: | | | | | | | |
| Salaries, Wages & Benefits | 6,877,678 | 8,699,786 | 7,889,067 | 7,630,177 | 8,778,230 | 9,773,705 | 9,878,801 |
| Contracted & General Services | 3,593,711 | 3,828,593 | 4,301,534 | 3,624,967 | 4,410,147 | 4,202,676 | 4,221,262 |
| Materials Goods & Utilities | 4,561,886 | 4,525,277 | 4,258,179 | 3,906,077 | 4,336,501 | 4,448,860 | 4,178,752 |
| Interest on Long Term Debt | 34,709 | 115,436 | 82,845 | 68,839 | 69,823 | 265,498 | 303,080 |
| Purchases from Other Governments | | 826,079 | 875,342 | 868,246 | 824,319 | 840,805 | 857,621 |
| Bank Charges & Short Term Interest | 154,452 | 57,766 | 26,300 | 13,289 | 22,300 | 23,130 | 23,130 |
| Other Expenses | 470,193 | 709,597 | 825,436 | 806,121 | 908,978 | 1,037,793 | 1,033,228 |
| Total Expense | 15,692,629 | 18,762,534 | 18,258,703 | 16,917,716 | 19,350,298 | 20,592,467 | 20,495,874 |
| Net Total | 6,812,955 | 1,392,781 | 901,091 | 2,246,119 | 618,562 | (3,282) | 807,550 |

HIGHLIGHT OF SIGNIFICANT CONSOLIDATED 2018 CHANGES:

Overall, the Consolidated Budget reflects revenues totaling \$19.9M which represents an increase in of 5% over the prior year budget. The increase is primarily associated with increased growth projections coupled with a municipal tax revenue along with a marginal increase in Utility levy revenue.

The 2018 budgeted Consolidated Expenses reflect \$19.3M and have increased 6% compared to the prior year and are anticipated to increase over the 2017 forecast. The increase projected reflects an investment into new initiatives, compensation impacts including new position proposals and CAO recruitment along with higher operating expenditures associated with Information Technology, Regional Disaster Staffing, dispatch fees and other annual memberships including Edmonton Metro Region Board and Edmonton Global contributions. The increase in operating expenses has been partially offset by approximately 4% reduction in other general expenses throughout the organization.

The overall Budget reflects a surplus totaling \$618K.

EXCESS FUNDS PRIOR TO DEBENTURE DEBT COMMITMENTS & AMORTIZATION

As a result of the budgeted revenues and expenditures, the excess position for the tax related operations are used to provide payment for outstanding debentures, and provide resources for capital reserves. Capital projects are funded through capital reserves, Provincial/Federal government funding and debenture funding.

| <u>Tax Supported Operations</u> | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|--|--------------------------|------------------------|------------------------|------------------------|
| Surplus (Deficit) | 672,063 | (1,157,322) | (1,709,692) | (935,139) |
| Unplanned Revenues | 339,000 | | | |
| Sponsorship/Donations - Rec Centre | | 2,500,000 | 3,685,000 | |
| Grant Utilization for new Debentures | | | 2,200,000 | 2,200,000 |
| Other Revenue | | | | |
| | 1,011,063 | 1,342,678 | 4,175,308 | 1,264,861 |
| Directed to Safety Initiative Reserve | 130,000 | 130,000 | 130,000 | 130,000 |
| Directed to Capital Reserves - Rec Centre | - | 2,500,000 | 3,685,000 | |
| Debenture Payment - Principle | 267,900 | 278,104 | 2,466,949 | 2,473,030 |
| | 397,900 | 2,908,104 | 6,281,949 | 2,603,030 |
| Final Surplus (Deficit) | 613,163 | (1,565,426) | (2,106,641) | (1,338,169) |
| <u>Impact on Operational Reserves</u> | | | | |
| Operating Reserves | 1,000,000 | 1,613,163 | 47,737 | (2,058,905) |
| Change | 613,163 | (1,565,426) | (2,106,641) | (1,338,169) |
| Operating Reserves | 1,613,163 | 47,737 | (2,058,905) | (3,397,074) |

AMORTIZATION

Morinville has adopted the accounting practice, as outlined by the Public Sector Accounting Board, for amortization of capital assets. While this is a budget item, amortization is non-cash expenditure. Through the development of the Long Range Capital Plan, Administration has determined the value of capital assets and the life of these assets. The value of these assets are amortized over the life of the assets and an expenditure recorded each year to reflect the amortization. Amortization expense does affect the annual surplus (deficit) and it is not charged to the operating accumulated surplus (deficit), but rather is a charge to equity in fixed assets. The estimated amortization for 2018 is \$6,005,341. The budget has projected an increase in 2019 and 2020 as a result of amortizing the completed Recreation Centre (reflecting for budget purposes within the existing Arena functional area).

| Account Description | 2018 | 2019 | 2020 |
|--|------------------|------------------|------------------|
| 394000 - Depreciation Expense - Admin | 272,193 | 280,359 | 288,769 |
| 394001 - Depreciation Expense - Fire Dept. | 142,282 | 146,550 | 150,946 |
| 394002 - Depreciation Expense - Enforcement | 7,942 | 8,180 | 8,425 |
| 394003 - Depreciation Expense - Programming | 1,137 | 1,171 | 1,206 |
| 394004 - Depreciation Expense - Arena | 99,854 | 727,846 | 1,352,846 |
| 394005 - Depreciation Expense - Open Spaces | 385,326 | 396,885 | 468,791 |
| 394009 - Depreciation Expense - Public Works | 243,755 | 251,067 | 258,599 |
| 394010 - Depreciation Expense - Roads | 2,935,377 | 3,023,438 | 3,114,141 |
| 394011 - Depreciation Expense - Bus | 12,444 | 12,817 | 13,201 |
| 394012 - Depreciation Expense - Storm | 556,988 | 573,697 | 590,907 |
| 394017 - Depreciation Expense - Ambulance | 46,986 | 48,395 | 49,846 |
| 394018 - Depreciation Expense - CCC | 353,190 | 364,403 | 375,335 |
| 394013 - Depreciation Expense - Water | 506,307 | 521,496 | 537,140 |
| 394014 - Depreciation Expense - Sanitary | 441,560 | 454,806 | 468,450 |
| Total Depreciation Expense | 6,005,341 | 6,811,110 | 7,678,602 |

TAX SUPPORTED OPERATING BUDGET

The Tax Supported Operating Budget is a consolidation of all town departments that are not directly associated with Utilities (Water, Sanitary & Solid Waste).

Morinville's main source of revenue for operational purposes, are the taxes paid on residential and non-residential property within the Town. Operating Expenditures are represented by object consistent with our audited financial statements.

The table below summarizes the tax supported operations for 2018 together with historical and estimated amounts from 2015 through 2020. A graphical representation of both sources of revenue and expenditures has been provided below for 2018. Prior year actual Revenue includes capital related revenues (Offsite Levies and Developer Contributed Assets). The 2018 Budget does not include estimates for these items.

2018 HIGHLIGHTS:

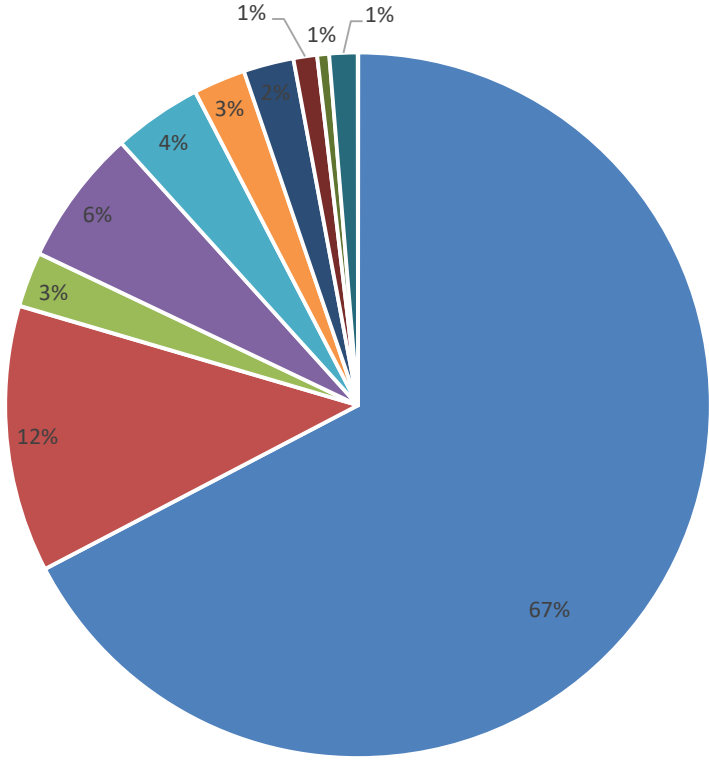
The Tax Supported 2018 Budget reflects revenues totaling \$13.8M which represents a slight increase in revenues compared to 2017 Budget and Forecast, primarily associated with higher Net Tax revenue. Overall Operating Expenses total \$15M are projected to rise by approximately 7% in 2018 compared to last year's budget as a result of combined compensation impacts which include new CAO recruitment along with a proposed new Communications Support Contact, Parks & Arena operator as well as a new Information Technology position. Other increases are largely associated with increased IT and Contract Service costs and new Operating Projects/Initiatives for 2018 which include a Payroll/HR Initiative and Recreation Master Plan.

The Tax Supported Operating Budget reflects a deficit of \$1.1M, approximately \$350K higher than the prior year.

**Town of Morinville
2018 Tax Supported**

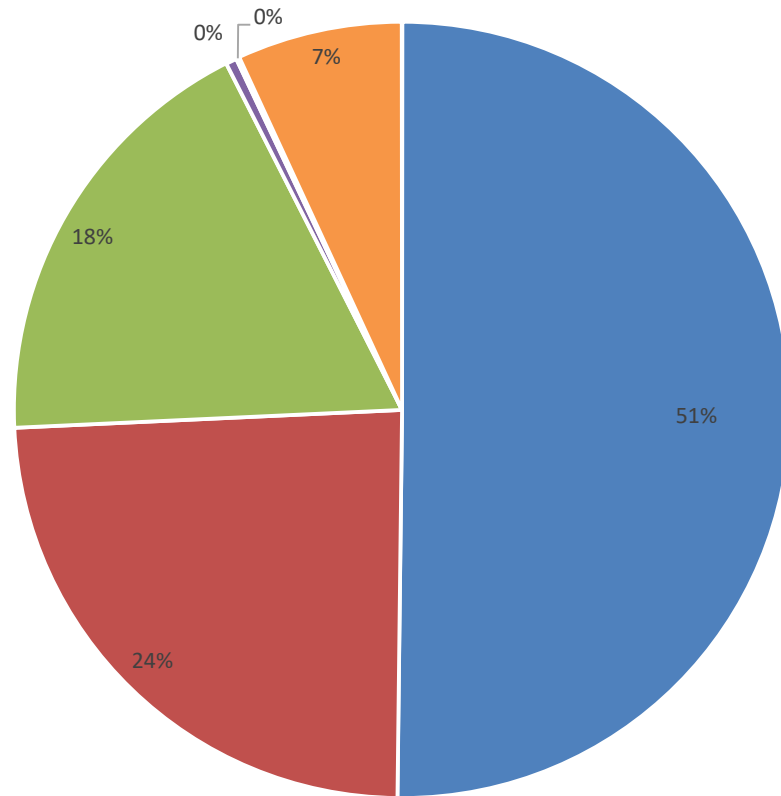
| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|------------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Revenue: | | | | | | | |
| Net Taxation | 8,168,768 | 8,734,485 | 8,978,253 | 9,227,234 | 9,340,103 | 9,656,741 | 10,087,432 |
| Franchise Fees | 1,396,973 | 1,474,758 | 1,561,283 | 1,561,282 | 1,694,942 | 1,800,000 | 1,900,000 |
| Sales to Other Governments | 379,869 | 326,847 | 346,688 | 311,748 | 349,499 | 309,264 | 309,783 |
| Government Transfers | 3,855,807 | 1,881,959 | 755,261 | 803,746 | 866,690 | 956,741 | 956,741 |
| Penalties & Fines | 559,911 | 631,303 | 658,577 | 622,428 | 563,577 | 563,577 | 563,577 |
| Development Fees & Permits | 298,251 | 288,830 | 336,300 | 322,571 | 331,500 | 332,500 | 333,500 |
| Rentals | 228,406 | 540,391 | 350,898 | 284,092 | 318,420 | 488,196 | 582,196 |
| Investment Income | 169,867 | 164,124 | 170,000 | 143,927 | 150,000 | 150,000 | 150,000 |
| Sales & User Charges | 162,923 | 77,080 | 70,200 | 103,344 | 77,000 | 86,000 | 86,000 |
| Offsite Levies | 377,067 | 227,289 | | | | | |
| Other Revenues | 1,401,317 | 257,171 | 188,193 | 190,133 | 180,103 | 157,203 | 157,203 |
| Total Revenue | 16,999,159 | 14,604,237 | 13,415,053 | 13,570,505 | 13,871,834 | 14,500,222 | 15,126,432 |
| Expense: | | | | | | | |
| Salaries, Wages & Benefits | 6,130,848 | 7,877,184 | 6,947,089 | 6,755,346 | 7,700,240 | 8,650,354 | 8,749,426 |
| Contracted & General Services | 2,849,750 | 2,950,436 | 3,474,707 | 2,779,967 | 3,548,631 | 3,337,526 | 3,353,805 |
| Materials Goods & Utilities | 2,396,322 | 3,065,697 | 2,730,807 | 2,489,978 | 2,794,184 | 2,910,613 | 2,613,902 |
| Interest on Long Term Debt | 34,709 | 115,436 | 82,845 | 68,839 | 69,823 | 265,498 | 303,080 |
| Bank Charges & Short Term Interest | 154,452 | 57,563 | 26,300 | 13,289 | 22,300 | 23,130 | 23,130 |
| Other Expenses | 434,675 | 697,425 | 810,436 | 791,023 | 893,978 | 1,022,793 | 1,018,228 |
| Total Expense | 12,000,755 | 14,763,741 | 14,072,185 | 12,898,442 | 15,029,156 | 16,209,914 | 16,061,571 |
| Net Total | 4,998,403 | (159,504) | (657,131) | 672,063 | (1,157,322) | (1,709,692) | (935,139) |

Tax Supported Revenues



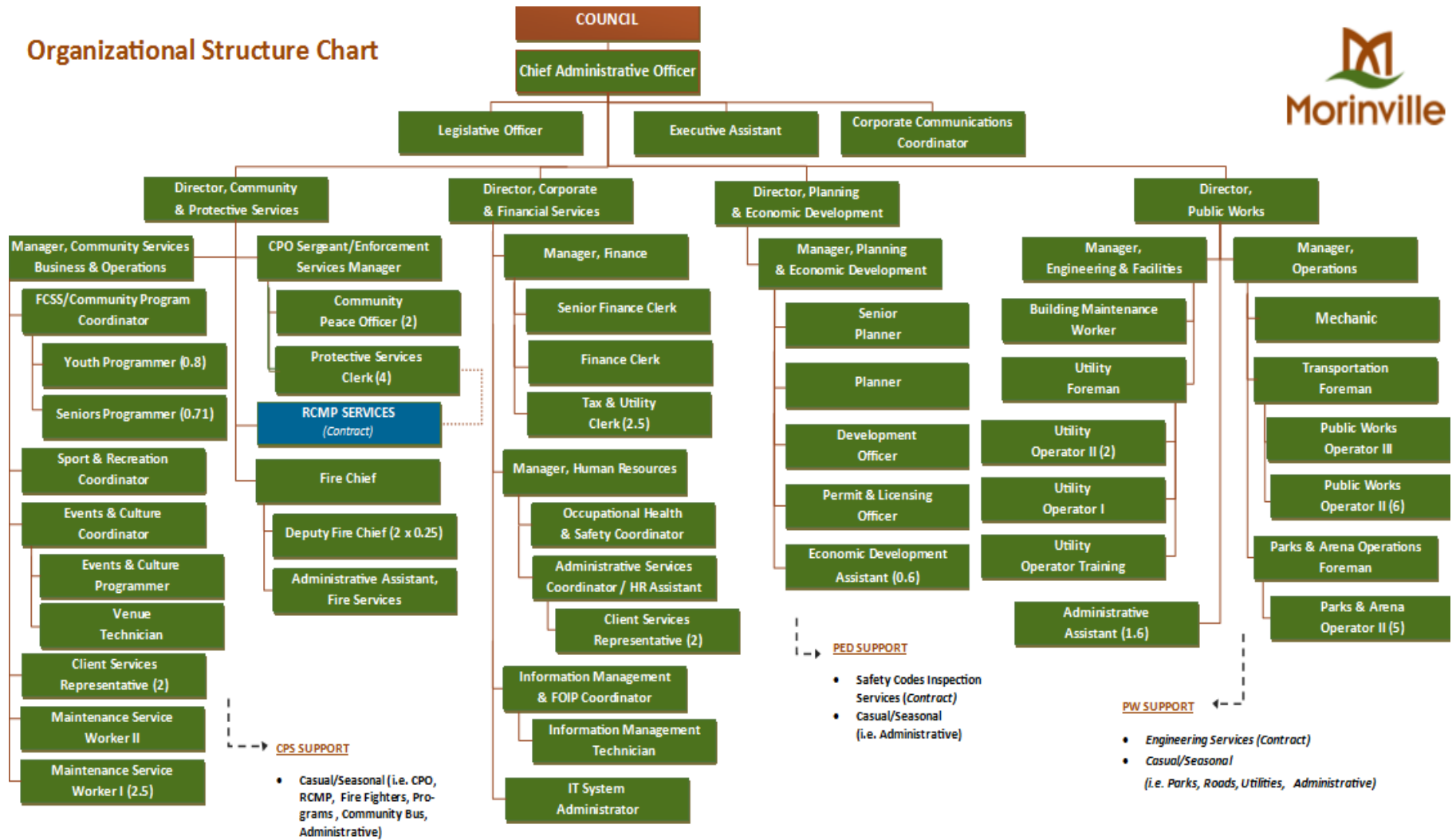
- Net Taxation
- Franchise Fees
- Sales to Other Governments
- Government Transfers
- Penalties & Fines
- Development Fees & Permits
- Rentals
- Investment Income
- Sales & User Charges
- Offsite Levies
- Other Revenues

2018 Tax Supported Expenses



- Salaries, Wages & Benefits
- Contracted & General Services
- Materials Goods & Utilities
- Interest on Long Term Debt
- Bank Charges & Short Term Interest
- Other Expenses

Organizational Structure Chart



- CPS SUPPORT**
- Casual/Seasonal (i.e. CPO, RCMP, Fire Fighters, Programs, Community Bus, Administrative)

- CFS SUPPORT**
- Municipal Auditor (Contract)
 - Municipal Assessor (Contract)
 - Casual/Seasonal (i.e. IT, Security, Finance, Admin./ Casual Corporate Admin. Support pool)

- PW SUPPORT**
- Engineering Services (Contract)
 - Casual/Seasonal (i.e. Parks, Roads, Utilities, Administrative)

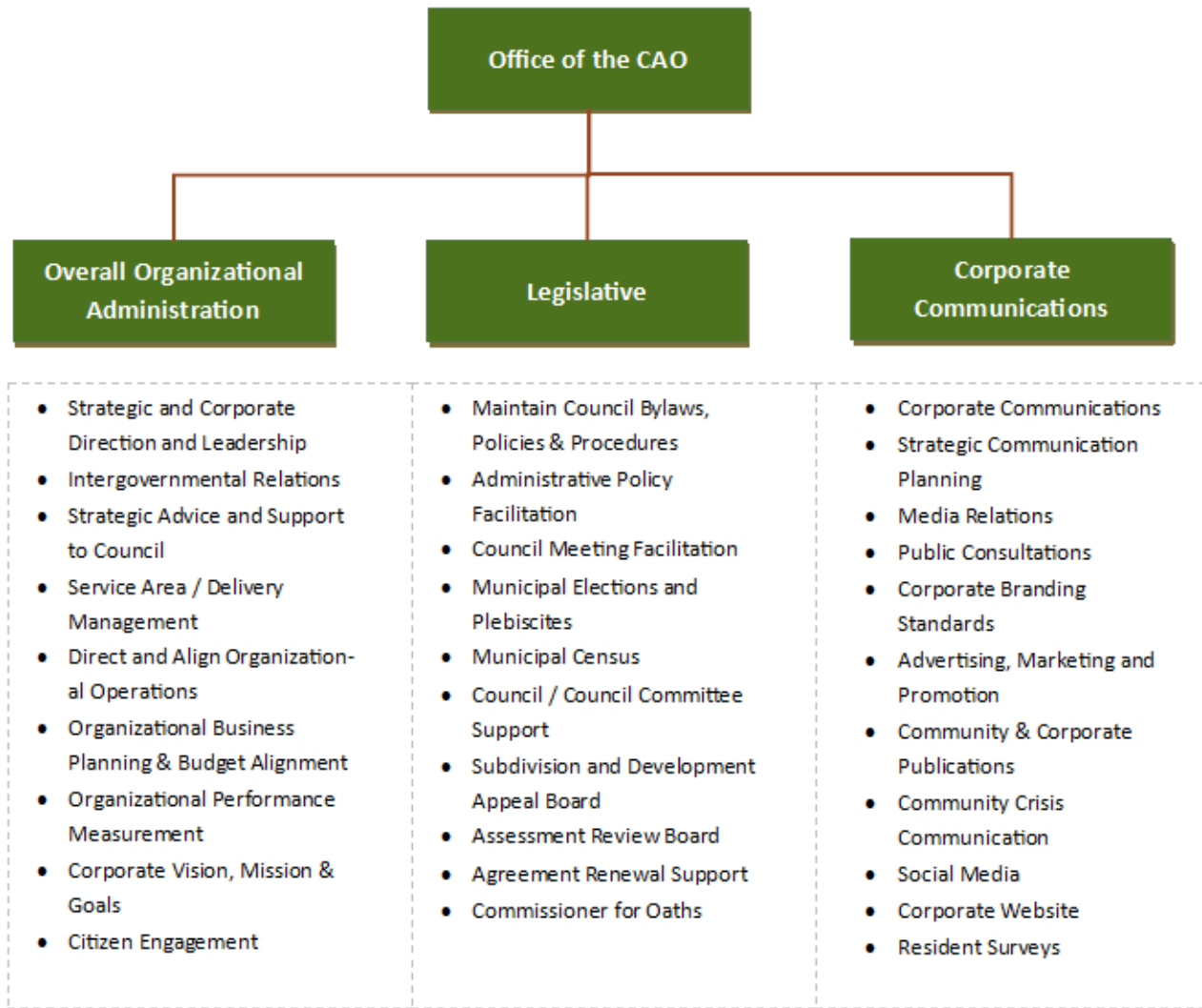
F.T.E. Chart

| | |
|---------------------|--------------|
| OCAO | 4 |
| CPS | 23.51 |
| CFS | 14.5 |
| PED | 6.6 |
| PW | 25.6 |
| Total F.T.E. | 74.21 |

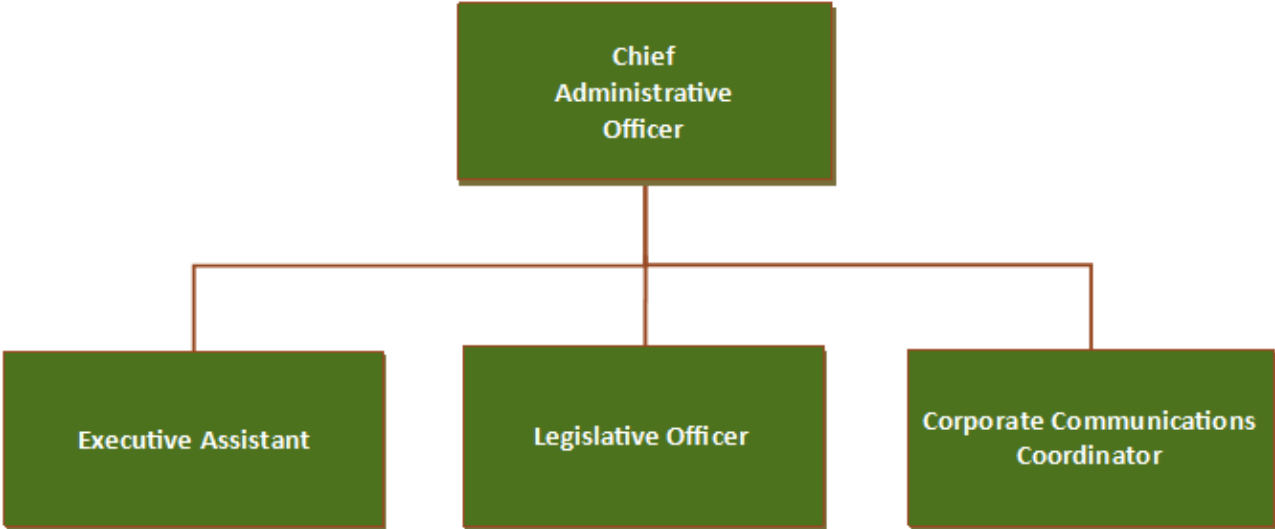
NOTE: Chart includes Permanent Positions (FT/PT). F.T.E. Chart does not include casual/seasonal positions (i.e. positions noted under each department as "SUPPORT").

Last Updated: January 2018

Functional Structure — Office of the CAO



Office of the Chief Administrative Officer



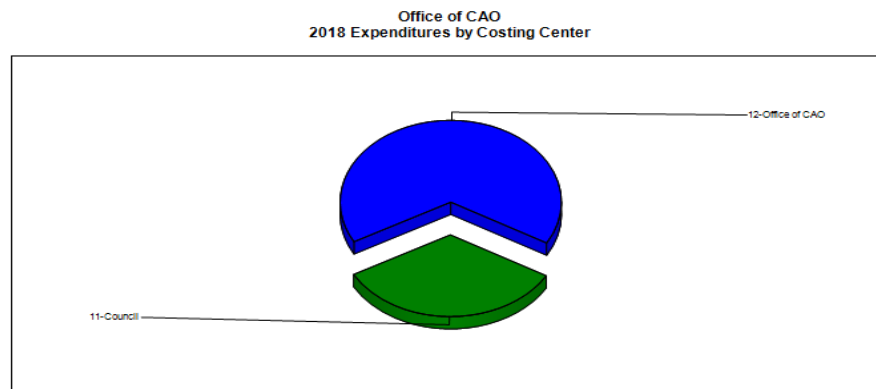
Office of CAO Budget Comparison

| | 2017 Budget | 2018 Budget | Change | % Change |
|---------------------|--------------------|--------------------|---------------|--------------|
| Expenditures | | | | |
| 11-Council | 365,877 | 368,259 | 2,382 | 0.65% |
| 12-Office of CAO | 696,221 | 712,825 | 16,604 | 2.38% |
| | 1,062,098 | 1,081,084 | 18,986 | 1.79% |
| Total | (1,062,098) | (1,081,084) | 18,986 | 1.79% |

The Office of the CAO is responsible for direct support to Council and a variety of other key areas such as: Strategic Planning, Legislative Services including bylaws, policies, meeting management, legal review and risk management. In addition to, Corporate Communications, Disaster services management, Census, Elections and facilitation of community and stakeholder engagement.

2018 Highlights:

Overall, the Office of CAO reflects an increase of \$18K over the 2017 budget and is primarily associated with added Communications support contract and CAO Recruitment.



**Summary
Office of CAO**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|-------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 485,227 | 1,323,039 | 462,721 | 432,790 | 507,370 | 544,570 | 548,412 |
| Contracted & General Services | 76,122 | 136,700 | 109,000 | 91,009 | 93,155 | 110,311 | 107,400 |
| Materials, Goods & Utilities | 73,448 | 135,770 | 108,500 | 79,238 | 76,300 | 76,300 | 76,300 |
| Other Expenses | 11,698 | 26,029 | 16,000 | 30,000 | 36,000 | 36,000 | 36,000 |
| Total Expense | 646,495 | 1,621,538 | 696,221 | 633,037 | 712,825 | 767,181 | 768,112 |
| Net Total | (646,495) | (1,621,538) | (696,221) | (633,037) | (712,825) | (767,181) | (768,112) |

2018 Highlights:

The Office of CAO Budget reflected added Staffing costs as a result of the proposed added Communication support along with CAO recruitment costs. Contract services costs include a reduction associated with Communications with an offsetting increase associated with website redevelopment costs. Other combined expenditures reflect a reduction compared to the prior year's budget.

**Summary
Council**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|-------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 220,951 | 214,962 | 262,777 | 242,233 | 280,159 | 280,159 | 280,159 |
| Contracted & General Services | 16,619 | 24,022 | 61,800 | 38,474 | 49,900 | 42,900 | 42,900 |
| Materials, Goods & Utilities | 35,199 | 30,836 | 41,300 | 33,400 | 38,200 | 37,600 | 37,600 |
| Total Expense | 272,769 | 269,820 | 365,877 | 314,107 | 368,259 | 360,659 | 360,659 |
| Net Total | (272,769) | (269,820) | (365,877) | (314,107) | (368,259) | (360,659) | (360,659) |

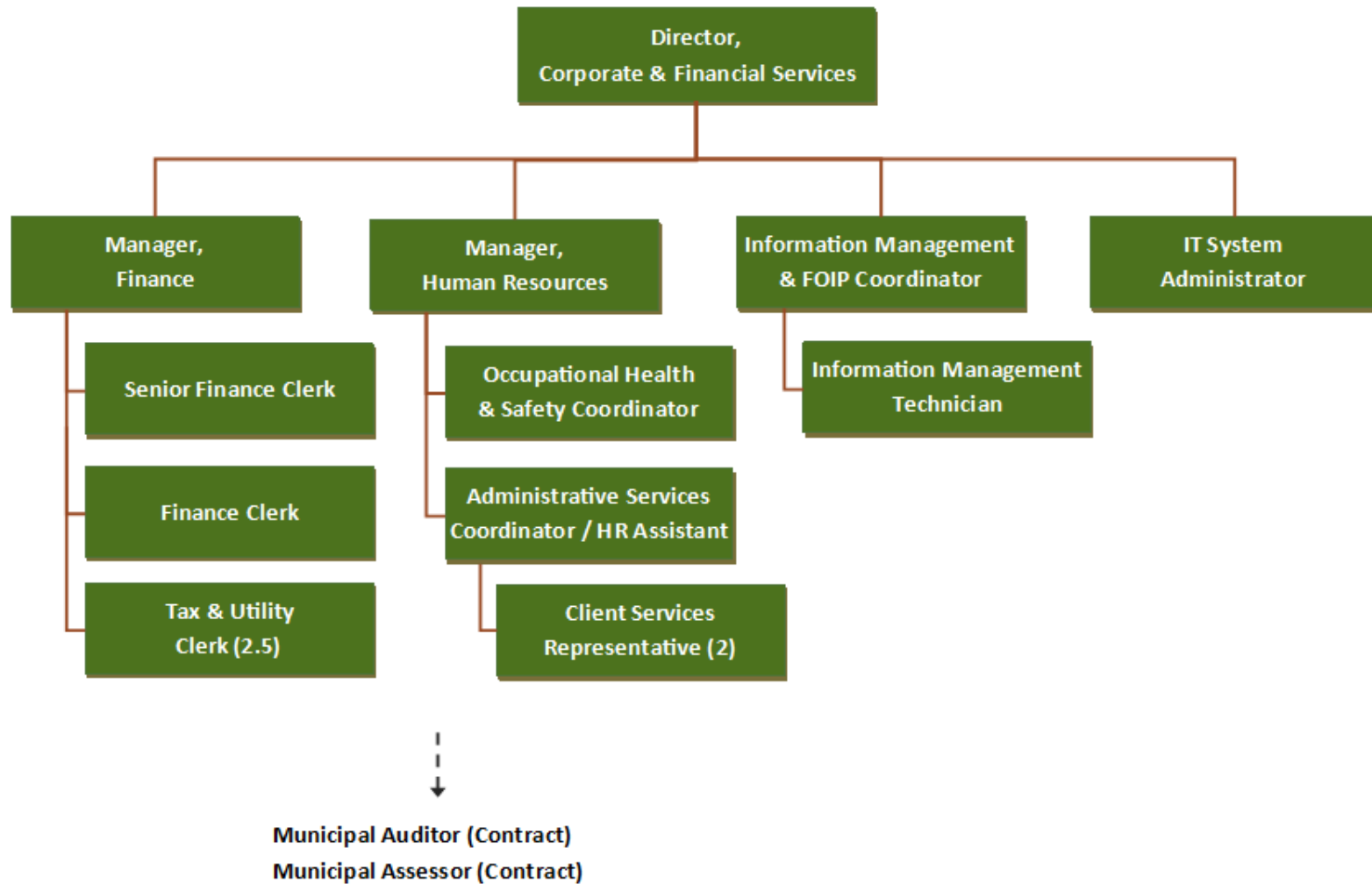
2018 Highlights:

Overall, the Council Budget for 2018 reflects a marginal increase compared to last year’s budget. The increase is associated with cost of living adjustments and has incorporated the updated Council Remuneration Policy adjustments.

Functional Structure — Corporate & Financial Services



Corporate & Financial Services



Corporate & Financial Services Division Budget Comparisons

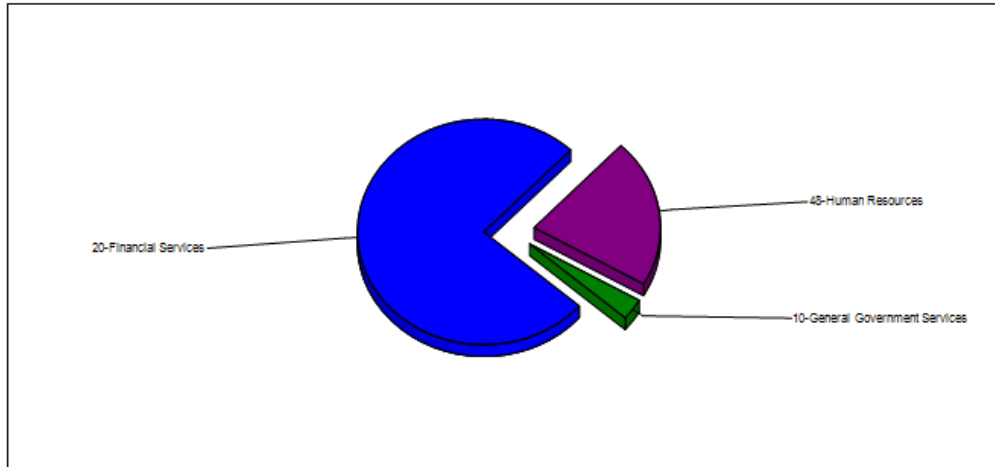
| | 2017 Budget | 2018 Budget | Change | % Change |
|--------------------------------|-------------------|-------------------|---|---------------|
| Revenue | | | | |
| 10-General Government Services | 10,968,537 | 11,360,045 | 391,508 | 3.57% |
| 20-Financial Services | 39,500 | 40,500 | 400 | 1.01% |
| 48-Human Resources | 56,000 | 44,500 | (11,500) ▲ | -20.54% |
| | 11,064,037 | 11,445,045 | 380,408 | 3.44% |
| Expenditures | | | | |
| 10-General Government Services | 80,066 | 78,064 | (2,002) | -2.50% |
| 20-Financial Services | 1,673,180 | 1,909,318 | 236,139 | 14.11% |
| 48-Human Resources | 507,579 | 612,249 | 104,669 | 20.62% |
| | 2,260,825 | 2,599,631 | 338,806 | 14.99% |
| Total | 8,803,212 | 8,845,414 | 41,602 | 0.47% |

The Corporate & Financial Services Division is responsible for financial reporting, auditing, budgeting, taxation, utilities, E-Services, Information Technology, Human Resources, Occupational Health & Safety (OH&S), Administrative Services along with Information Management/FOIP.

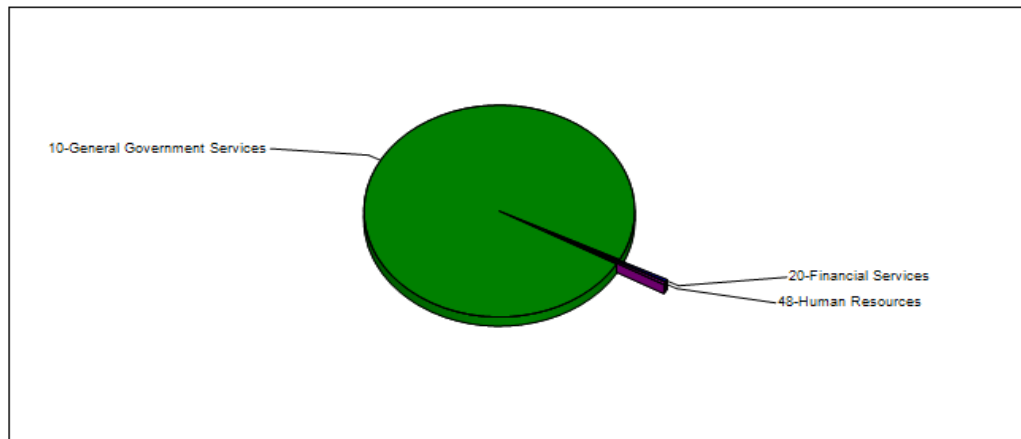
2018 Highlights:

Overall, the Divisional budget reflects increased revenues associated with higher net tax projections offset by reduced cost recoveries within the Human Resource department. Operating Expenses have increased compared to 2017 as a result of a new Information Technology full time position, CAO Recruitment costs, added OH&S and administrative support and proposed new projects which includes an HR/Payroll Initiative.

Corporate & Financial Services
2018 Expenditures by Costing Center



Corporate & Financial Services
2018 Costing Center Revenues



Summary

Corporate & Financial Services

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Revenues | | | | | | | |
| Sales to Other Governments | | 3,794 | | | | | |
| Rentals | 12,000 | 10,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| Sales & User Charges | 14,210 | 11,031 | 14,400 | 12,410 | 14,500 | 14,500 | 14,500 |
| Sales Of Goods & Services | 5,693 | 22,464 | 19,100 | 20,000 | 20,000 | 3,300 | 3,300 |
| Total Revenue | 31,903 | 47,289 | 39,500 | 38,410 | 40,500 | 23,800 | 23,800 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 675,519 | 697,931 | 799,260 | 787,153 | 893,300 | 922,435 | 932,549 |
| Contracted & General Services | 496,435 | 541,551 | 515,495 | 470,133 | 666,209 | 597,431 | 585,177 |
| Materials, Goods & Utilities | 307,687 | 300,564 | 327,424 | 309,460 | 316,810 | 322,227 | 326,089 |
| Bank Charges & Short Term Interest | 67,853 | 51,152 | 24,000 | 12,440 | 20,000 | 20,000 | 20,000 |
| Other Expenses | 5,165 | 15,362 | 7,000 | 12,633 | 13,000 | 13,000 | 13,000 |
| Total Expense | 1,552,659 | 1,606,560 | 1,673,179 | 1,591,819 | 1,909,319 | 1,875,093 | 1,876,815 |
| Net Total | (1,520,756) | (1,559,271) | (1,633,679) | (1,553,409) | (1,868,819) | (1,851,293) | (1,853,015) |

2018 Highlights:

The 2018 Budget reflects revenues consistent year over year, the 2019 and 2020 budget reflects reductions associated with no longer receiving revenue from CN grain line closure agreement, accounted for within Sales of Goods/Services. Expenses for 2018 total \$1.9M and reflect an increase over the 2017 budget as a result of a new position proposal and various new initiatives.

**Summary
General Government**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|------------------------------|------------------------|--------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | | | | |
| Net Taxation | 8,168,768 | 8,734,702 | 8,978,253 | 9,227,234 | 9,340,103 | 9,707,943 | 10,087,432 |
| Franchise Fees | 1,396,973 | 1,474,758 | 1,561,282 | 1,561,282 | 1,694,942 | 1,800,000 | 1,900,000 |
| Government Transfers | - | 968,678 | 74,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Penalties & Fines | 182,951 | 152,348 | 185,000 | 148,000 | 100,000 | 100,000 | 100,000 |
| Offsite Levies | | 227,289 | | | | | |
| Investment Income | 169,867 | 164,124 | 170,000 | 143,927 | 150,000 | 150,000 | 150,000 |
| Total Revenue | 9,918,559 | 11,721,899 | 10,968,535 | 11,155,443 | 11,360,045 | 11,832,943 | 12,312,432 |
| Expenditures | | | | | | | |
| Materials, Goods & Utilities | 32,189 | 30,335 | 21,000 | 21,131 | 24,000 | 24,000 | 24,000 |
| Interest on Long Term Debt | 69,735 | 58,250 | 54,066 | 51,652 | 49,064 | 44,288 | 39,385 |
| Other Expenses | 5,756 | 483 | 5,000 | 1,981 | 5,000 | 5,000 | 5,000 |
| Total Expense | 107,680 | 89,068 | 80,066 | 74,764 | 78,064 | 73,288 | 68,385 |
| Net Total | 9,810,879 | 11,632,831 | 10,888,469 | 11,080,679 | 11,281,981 | 11,759,655 | 12,244,046 |

2018 Highlights:

Overall, the budget reflects revenues totaling \$11.3M, increases over last year's forecast and budget are associated with higher growth projections (2.5%) coupled with a 0.96% municipal tax increase. Franchise fees are expected to increase for 2018, while tax penalty revenue has reduced as a result in lower tax penalty rates in 2017.

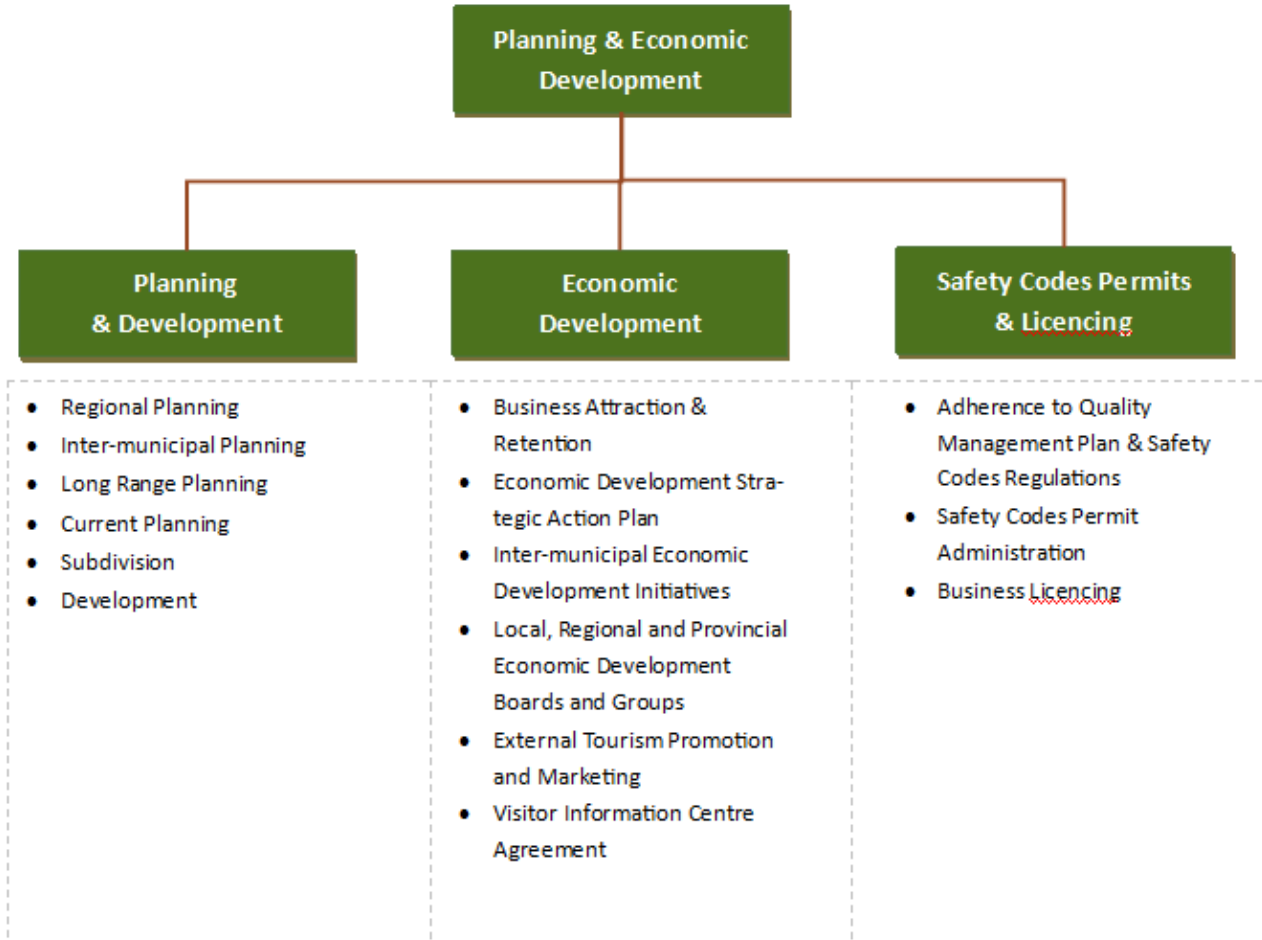
**Summary
Human Resources**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|-------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | | | | |
| Sales to Other Governments | - | - | 56,000 | 40,000 | 44,500 | 46,500 | 48,500 |
| Total Revenue | - | - | 56,000 | 40,000 | 44,500 | 46,500 | 48,500 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 105,275 | 110,900 | 404,823 | 419,452 | 527,248 | 540,964 | 555,060 |
| Contracted & General Services | 1,182 | 11,412 | 55,000 | 39,931 | 66,000 | 35,300 | 35,300 |
| Materials, Goods & Utilities | 220 | | 33,000 | 20,000 | 17,000 | 17,000 | 17,000 |
| Other Expenses | | 1,376 | 2,000 | 1,800 | 2,000 | 2,000 | 2,000 |
| Total Expense | 106,677 | 123,688 | 494,823 | 481,183 | 612,248 | 595,264 | 609,360 |
| Net Total | (106,677) | (123,688) | (438,823) | (441,183) | (567,748) | (548,764) | (560,860) |

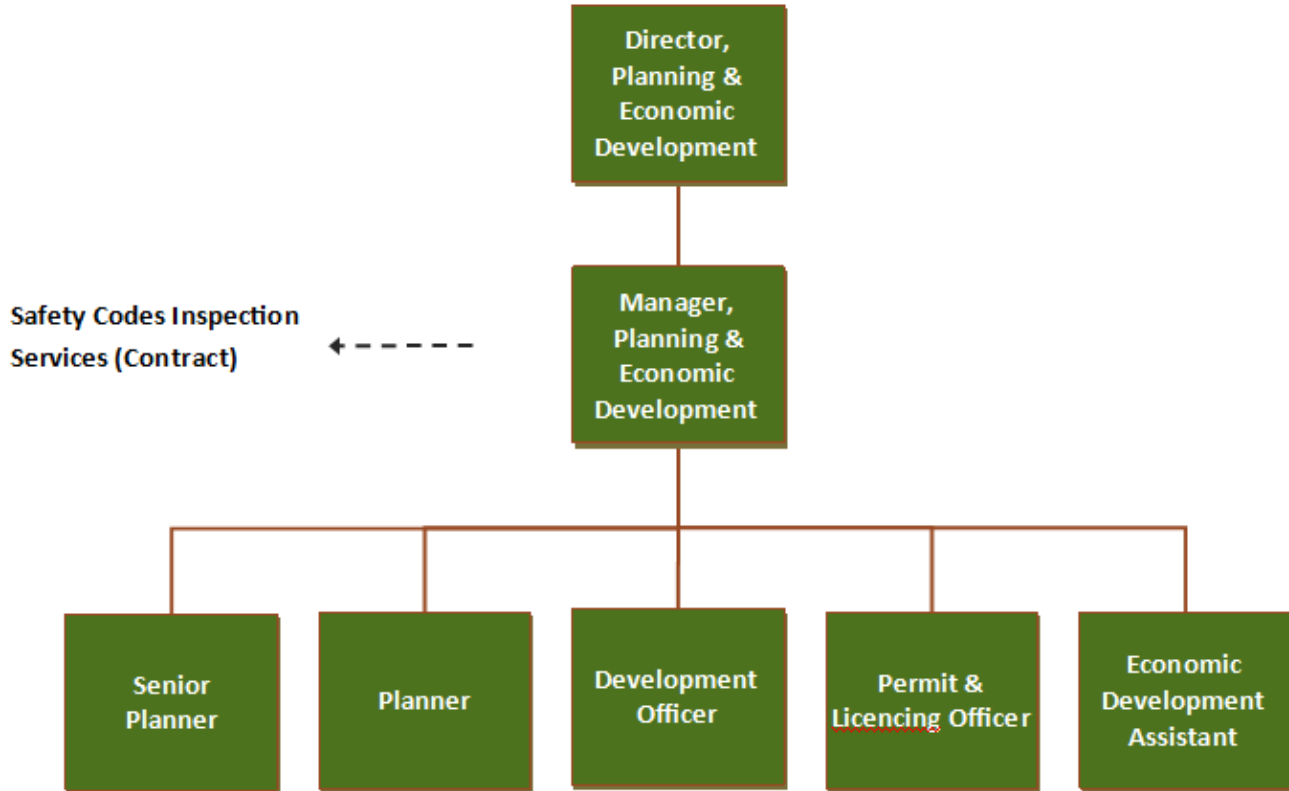
2018 Highlights:

The Human Resource budget reflects a slight reduction in revenues compared to the prior year as a result of a reduction in cost recoveries associated with provided OH&S support within the region. Operating expenses have increased due to added OH&S and Administrative support and casual support. All staff training initiatives are included within Salaries/Wages/Benefits and have increased over the prior year to promote additional general and safety related training throughout the organization.

Functional Structure — Planning & Economic Development



Planning & Economic Development



Planning & Economic Development Budget Comparison

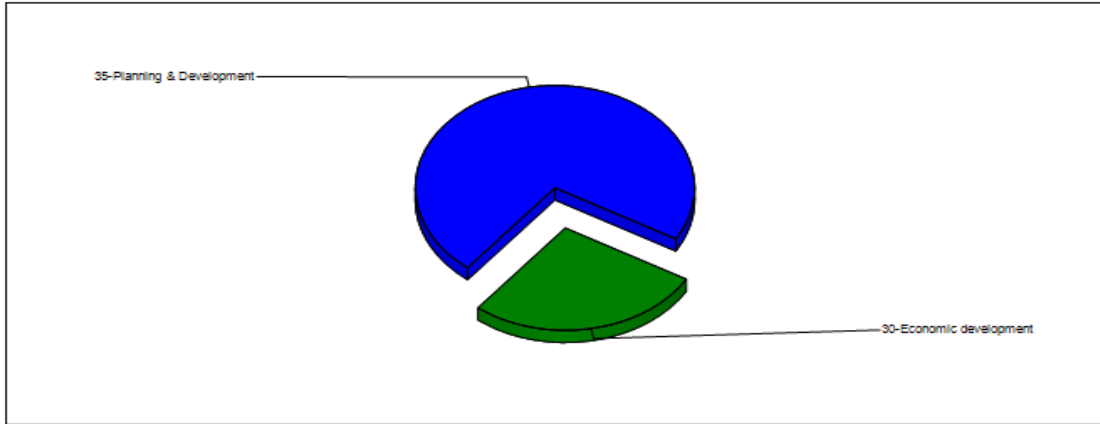
| | 2017 Budget | 2018 Budget | Change | % Change |
|----------------------------|------------------|------------------|------------------|----------------|
| <u>Revenue</u> | | | | |
| 30-Economic development | 66,000 | 70,000 | 4,000 | 6.06% |
| 35-Planning & Development | 259,500 | 257,500 | (2,000) | -0.77% |
| | 325,500 | 327,500 | 2,000 | 0.61% |
| <u>Expenditures</u> | | | | |
| 30-Economic development | 346,693 | 322,759 | (23,934) | -6.90% |
| 35-Planning & Development | 909,587 | 769,433 | (140,153) | -15.41% |
| | 1,256,280 | 1,092,193 | (164,087) | -13.06% |
| Total | (930,780) | (764,693) | (166,087) | -17.84% |

The Planning & Economic Development division is responsible for community planning and the implementation of a number of planning documents, implementation of the Town's Economic Development Strategic Action Plan and for the administration of various components of The Municipal Government Act, Alberta Safety Codes and local bylaws.

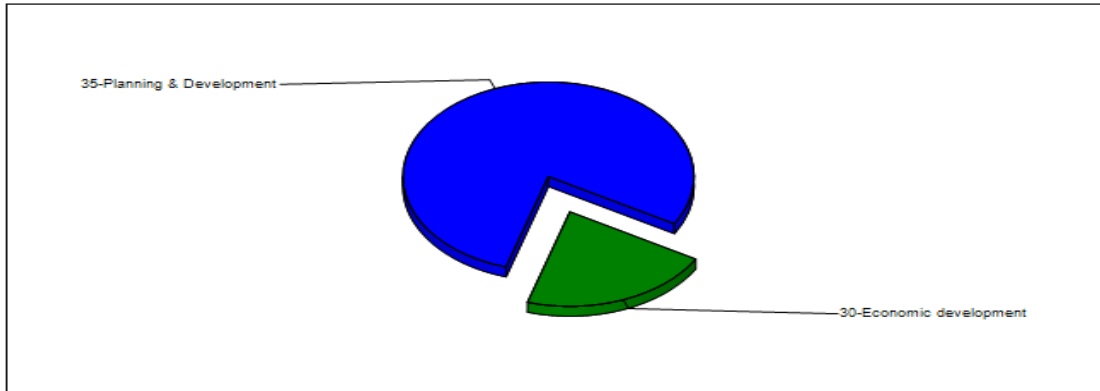
2018 Highlights:

The Planning & Economic Development Division as a whole is anticipating reductions in the Operating budget for 2018, primarily as a result of reduced staffing costs due to restructuring within the department.

**Planning & Economic Development
2018 Expenditures by Costing Center**



**Planning & Economic Development
2018 Costing Center Revenues**



**Summary
Economic Development**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 | 2019 | 2020 |
|----------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Development Fees & Permits | 65,350 | 68,445 | 66,000 | 63,750 | 70,000 | 70,000 | 70,000 |
| Total Revenue | 65,350 | 68,445 | 66,000 | 63,750 | 70,000 | 70,000 | 70,000 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 128,028 | 143,523 | 202,396 | 185,344 | 176,487 | 180,287 | 184,208 |
| Contracted & General Services | 11,018 | 21,715 | 53,000 | 39,148 | 47,272 | 53,479 | 62,070 |
| Materials, Goods & Utilities | 28,637 | 69,239 | 35,000 | 35,000 | 45,000 | 45,000 | 45,000 |
| Other Expenses | 27,898 | 45,963 | 56,000 | 63,592 | 54,000 | 49,000 | 44,000 |
| Total Expense | 195,581 | 280,440 | 346,396 | 323,084 | 322,759 | 327,766 | 335,278 |
| Net Total | (130,231) | (211,995) | (280,396) | (259,334) | (252,759) | (257,766) | (265,278) |

2018 Highlights:

The Economic Development department is projecting an overall reduction to budget for 2018 compared to last year.

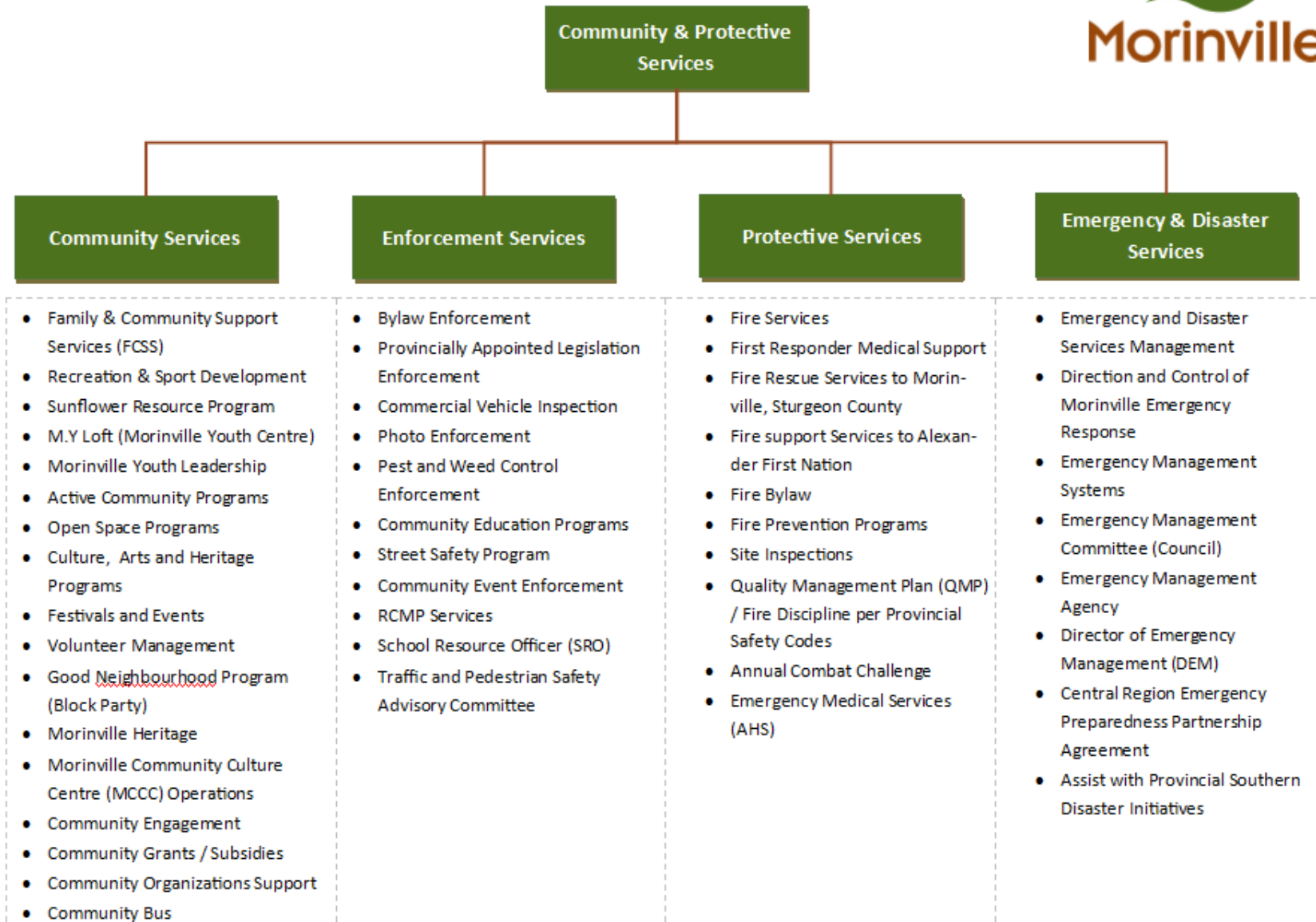
**Summary
Planning & Development**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 | 2019 | 2020 |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Development Fees & Permits | 295,501 | 201,111 | 253,500 | 231,727 | 251,500 | 252,500 | 253,500 |
| Sales and User Charges | 20,884 | 15,630 | 6,000 | 1,000 | 6,000 | 6,000 | 6,000 |
| Total Revenue | 316,385 | 216,741 | 259,500 | 232,727 | 257,500 | 258,500 | 259,500 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 384,035 | 384,989 | 436,086 | 416,464 | 382,577 | 453,304 | 462,396 |
| Contracted & General Services | 434,166 | 392,798 | 472,000 | 342,561 | 383,356 | 226,356 | 226,700 |
| Other Expenses | 776 | 3,222 | 1,500 | 3,072 | 3,500 | 3,500 | 3,500 |
| Total Expense | 818,977 | 781,009 | 909,586 | 762,097 | 769,433 | 683,160 | 692,596 |
| Net Total | (502,592) | (564,268) | (650,086) | (529,370) | (511,933) | (424,660) | (433,096) |

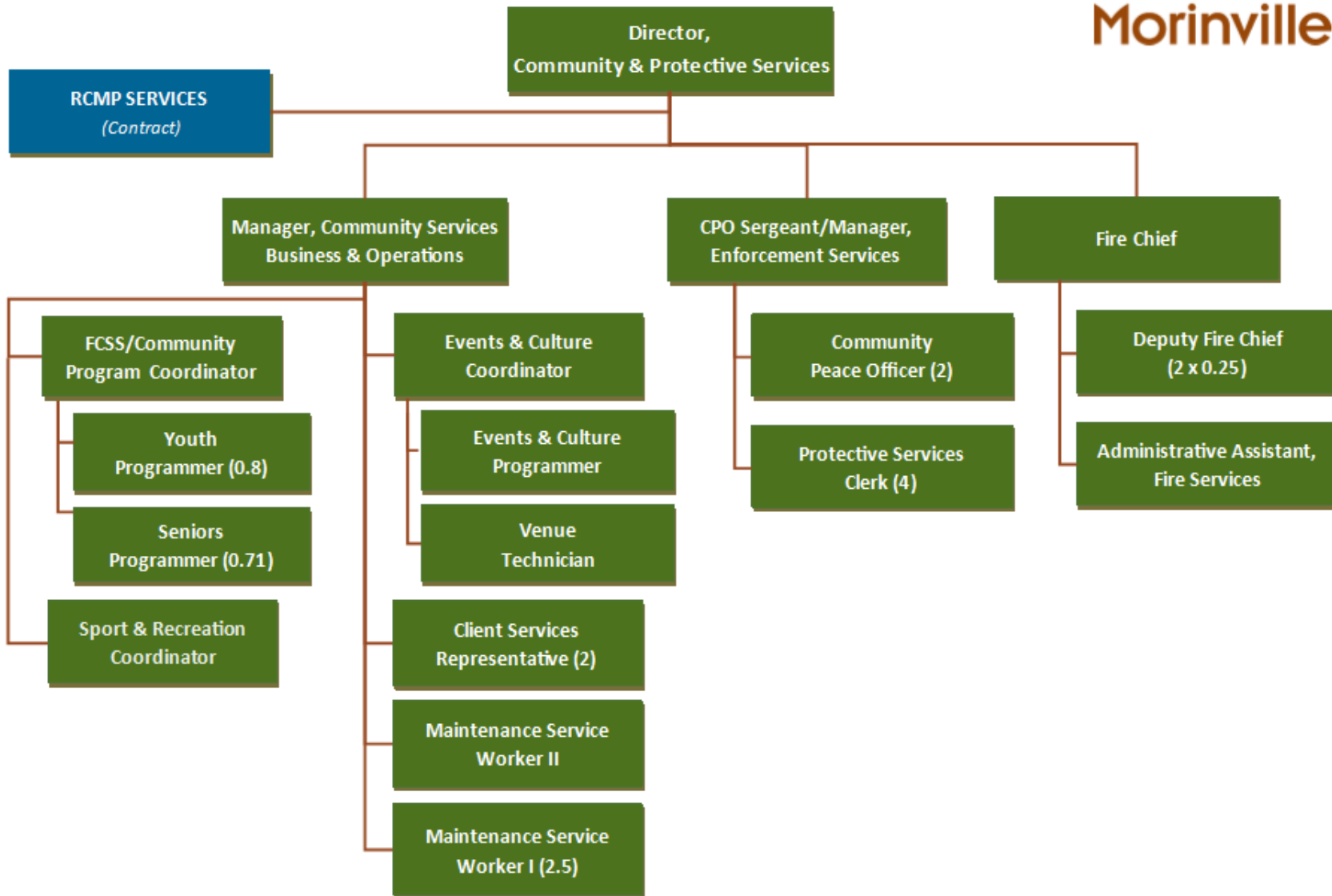
2018 Highlights:

Overall, the Planning Department is anticipating revenues similar to the prior year's budget and better than the 2017 forecast. Operating Expenses reflect a reduction in 2018 which is associated with the re-structuring of the Administrator, Planner, Manager, Director and Contract Service area's within the department.

Functional Structure — Community & Protective Services



Community & Protective Services



Community Services Division Budget Comparisons

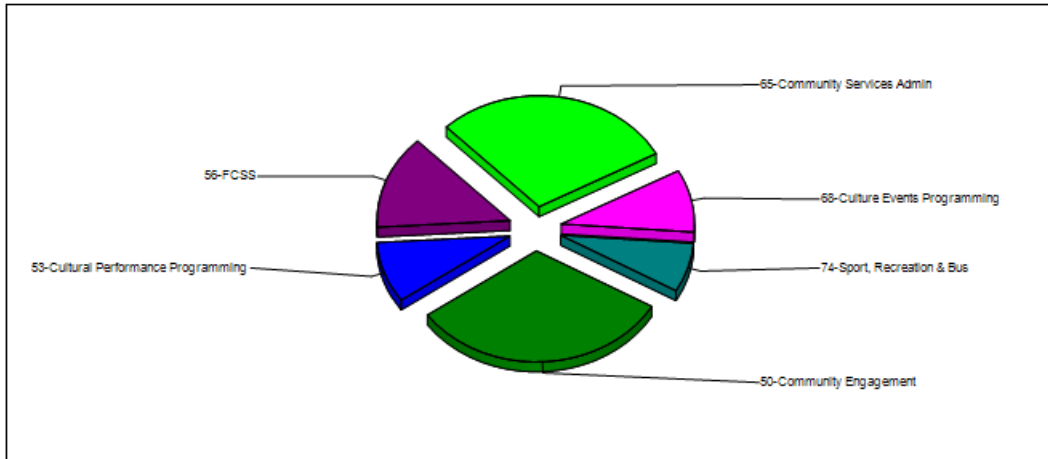
| | 2017 Budget | 2018 Budget | Change | % Change |
|--------------------------------------|--------------------|--------------------|------------------|---------------|
| <u>Revenue</u> | | | | |
| 50-Community Engagement | 23,993 | 16,523 | (7,470) | -31.13% |
| 53-Cultural Performance Programming | 79,500 | 63,650 | (15,850) | -19.94% |
| 56-FCSS | 226,188 | 283,352 | 57,164 | 25.27% |
| 65-Community Services Administration | 109,098 | 117,196 | 8,098 | 7.42% |
| 68-Culture Events Programming | 9,600 | 12,000 | 2,400 | 25.00% |
| 74-Sport, Recreation & Bus | 32,900 | 37,200 | 4,300 | 13.07% |
| | 481,279 | 529,921 | 48,642 | 10.11% |
| <u>Expenditures</u> | | | | |
| 50-Community Engagement | 685,750 | 752,284 | 66,534 | 9.70% |
| 53-Cultural Performance Programming | 228,250 | 256,370 | 28,120 | 12.32% |
| 56-FCSS | 251,092 | 396,328 | 145,236 | 57.84% |
| 65-Community Services Administration | 613,648 | 848,989 | 235,341 | 38.35% |
| 68-Culture Events Programming | 204,249 | 234,251 | 30,002 | 14.69% |
| 74-Sport, Recreation & Bus | 188,636 | 207,547 | 18,911 | 10.03% |
| | 2,171,626 | 2,695,767 | 524,141 | 24.14% |
| Total | (1,690,347) | (2,165,846) | (475,499) | 28.13% |

The Community Services Division is responsible for developing and fostering relationships within the Community and delivering a wide variety of services to the public including event management, FCSS, various programming and culture related initiatives.

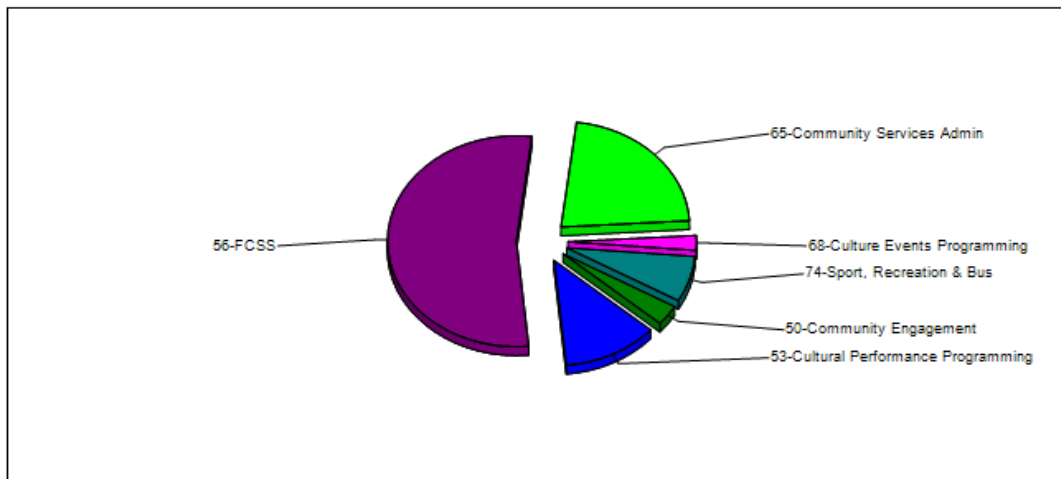
2018 Highlights:

Overall, the Divisional budget for 2018 anticipates an increase in revenues based on current year forecast and increased expenses resulting from community group grant requests along with the Recreation Master Plan update.

**Community Services
2018 Expenditures by Costing Center**



**Community Services
2018 Costing Center Revenues**



Summary

Community Engagement

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Government Transfers | 8,000 | 16,559 | | | | | |
| Rentals | 2,987 | 2,572 | | | | | |
| Sales & User Charges | 810 | - | 12,000 | 4,790 | 4,500 | 4,500 | 4,500 |
| Other Revenues | 79,719 | 57,533 | 11,993 | 6,000 | 12,023 | 12,523 | 12,523 |
| Total Revenue | 91,516 | 76,664 | 23,993 | 10,790 | 16,523 | 17,023 | 17,023 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 276,951 | 181,990 | 86,205 | 76,686 | 89,731 | 89,641 | 90,969 |
| Contracted & General Services | 6,958 | 12,289 | 5,500 | 10,000 | 10,300 | 14,300 | 14,300 |
| Materials, Goods & Utilities | 101,780 | 92,498 | 19,500 | 15,000 | 14,000 | 14,000 | 14,000 |
| Bank Charges & Short Term Interest | 2,400 | 1,774 | 600 | 150 | 600 | 600 | 600 |
| Other Expenses | 43,823 | 43,422 | 573,946 | 578,145 | 637,653 | 808,069 | 808,069 |
| Total Expense | 431,912 | 331,973 | 685,751 | 679,981 | 752,284 | 926,610 | 927,938 |
| Net Total | (340,396) | (255,309) | (661,758) | (669,191) | (735,761) | (909,587) | (910,915) |

2018 Highlights:

The Community Engagement Budget reflects a slight reduction in overall revenues compared to last years Budget, based on the 2017 Forecast and significant increase in operating expenses as a result of increased Community Group requests for the 2018 Budget year.

Summary

Cultural Performance Programming

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Government Transfers | | 24,995 | | | | | |
| Rentals | 148,921 | 122,660 | | | | | |
| Other Revenues | 75,669 | 52,043 | 79,500 | 83,970 | 63,650 | 63,650 | 63,650 |
| | 224,590 | 199,698 | 79,500 | 83,970 | 63,650 | 63,650 | 63,650 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 460,102 | 496,637 | 87,450 | 60,758 | 118,920 | 120,826 | 122,015 |
| Contracted & General Services | 82,633 | 107,689 | 130,800 | 116,989 | 117,500 | 117,500 | 117,500 |
| Materials Goods & Utilities | 168,116 | 137,174 | 9,000 | 7,000 | 19,120 | 19,120 | 19,120 |
| Interest on Long Term Debt | 9,933 | 3,243 | | | | | |
| Bank Charges & Short Term Interest | 2,182 | 2,995 | 1,000 | 202 | 830 | 830 | 830 |
| | 722,966 | 747,738 | 228,250 | 184,949 | 256,370 | 258,276 | 259,465 |
| Net Total | (498,376) | (548,040) | (148,750) | (100,979) | (192,720) | (194,626) | (195,815) |

2018 Highlights:

The Culture Performance Programming Budget for 2018 reflects a reduction in annual revenues as a result of minimizing donations/other Revenue, which aligns with prior year actuals. Operating Expenses include salary related increases associated with compensation, new legislative changes on overtime, tech casual staffing and equipment.

Summary

FCSS

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|------------------------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Government Transfers | 182,307 | 246,122 | 191,888 | 245,445 | 246,122 | 246,122 | 246,122 |
| Other Revenues | 11,055 | 20,211 | 34,300 | 55,000 | 37,230 | 37,230 | 37,230 |
| Total Revenue | 193,362 | 266,333 | 226,188 | 300,445 | 283,352 | 283,352 | 283,352 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 163,806 | 264,990 | 152,859 | 227,641 | 294,074 | 305,141 | 312,046 |
| Contracted & General Services | 21,792 | 40,882 | 17,300 | 20,821 | 17,300 | 17,330 | 17,330 |
| Materials, Goods & Utilities | 13,549 | 16,802 | 34,333 | 58,507 | 38,304 | 40,350 | 40,350 |
| Bank Charges & Short Term Interest | 458 | | 500 | 183 | 500 | 500 | 500 |
| Other Expenses | 38,888 | | 46,100 | 45,941 | 46,150 | 46,897 | 46,960 |
| Total Expenditures | 238,493 | 322,674 | 251,092 | 353,093 | 396,328 | 410,218 | 417,186 |
| Net Total | (45,131) | (56,341) | (24,904) | (52,648) | (112,976) | (126,866) | (133,834) |

2018 Highlights:

The FCSS 2018 Operating Budget reflects Provincial Grant funding as per our existing agreement. The corresponding expenses incurred to deliver programs has seen similar increases and also include a re-classification of a full time seniors programmer and added casual staff to support the department. Other expenses includes community grants.

Summary

Community Services Administration

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Government Transfers | | 73,970 | | | | | |
| Rentals | | | 109,098 | 118,603 | 117,196 | 117,196 | 117,196 |
| Total Revenue | 0 | 73,970 | 109,098 | 118,603 | 117,196 | 117,196 | 117,196 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 223,925 | 210,664 | 471,532 | 570,530 | 648,972 | 658,567 | 668,397 |
| Contracted & General Services | 3,258 | 8,634 | 16,500 | 8,828 | 68,711 | 21,211 | 21,900 |
| Materials, Goods & Utilities | 3,762 | 5,659 | 123,816 | 120,463 | 129,506 | 135,009 | 136,514 |
| Bank Charges & Short Term Interest | | | 1,200 | 314 | 1,200 | 1,200 | 1,200 |
| Other Expenses | 401,598 | 493,897 | 600 | | 600 | 600 | 600 |
| Total Expense | 632,543 | 718,854 | 613,648 | 700,135 | 848,989 | 816,587 | 828,611 |
| Net Total | (632,543) | (644,884) | (504,550) | (581,532) | (731,793) | (699,391) | (711,415) |

2018 Highlights:

The Administration Budget for Community Services reflects an overall increase in revenues based on the year to date forecast. Operating Expenses reflect an increase over both the forecast and last year's budget driven from the inclusion of the Recreation Master Plan update \$50K in addition, Salaries/Wages/Benefits in last year's budget did not fully incorporate the full manager's salary allocation nor the full complement of casual staff. The 2018 Budget has also been updated to reflect the new legislative changes surrounding overtime.

Summary
Cultural Events Programming

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|-------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | | | | |
| Government Transfers | | | 9,000 | | 8,000 | 8,000 | 8,000 |
| Other Revenue | | | 600 | 3,700 | 4,000 | 4,000 | 4,000 |
| Total Revenue | | | 9,600 | 3,700 | 12,000 | 12,000 | 12,000 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | | | 85,450 | 58,366 | 99,616 | 100,021 | 101,210 |
| Contracted & General Services | | | 30,300 | 10,555 | 32,600 | 30,500 | 30,500 |
| Materials, Goods & Utilities | | | 88,500 | 82,131 | 102,035 | 121,815 | 121,815 |
| Total Expense | | | 204,250 | 151,052 | 234,251 | 252,336 | 253,525 |
| Net Total | | | (194,650) | (147,352) | (222,251) | (240,336) | (241,525) |

2018 Highlights:

The Culture Events Operating Budget for 2018 reflects an increase in Operating Expenses for 2018 and includes additional funds for and a new event scheduled for the summer.

Summary
Sport, Recreation & Bus

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|-------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | | | | |
| Government Transfers | | | 1,000 | | 1,000 | 1,000 | 1,000 |
| Rentals | 9,570 | 11,745 | 5,000 | 13,446 | 5,000 | 5,000 | 5,000 |
| Sales & User Charges | 1,500 | 1,500 | 13,400 | 26,629 | 17,000 | 22,700 | 22,700 |
| Other Revenue | | | 13,500 | 11,000 | 14,200 | 14,200 | 14,200 |
| Total Revenue | 11,070 | 13,245 | 32,900 | 51,075 | 37,200 | 37,200 | 37,200 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 8,871 | 8,220 | 121,066 | 122,828 | 145,497 | 146,818 | 149,722 |
| Contracted & General Services | 8,492 | 8,001 | 2,000 | 601 | 2,500 | 2,500 | 2,500 |
| Materials, Goods & Utilities | | | 21,620 | 15,000 | 13,600 | 13,600 | 13,600 |
| Other Expenses | | | 43,950 | 38,946 | 45,950 | 45,950 | 45,950 |
| Total Expense | 17,363 | 16,221 | 188,636 | 177,375 | 207,547 | 208,868 | 211,772 |
| Net Total | (6,293) | (2,976) | (155,736) | (126,300) | (170,347) | (171,668) | (174,572) |

2018 Highlights:

The Sport, Rec and Bus Department reflects revenues consistent with the prior year and expenses reflect salary related compensation impacts.

Protective Services Division - Budget Comparisons

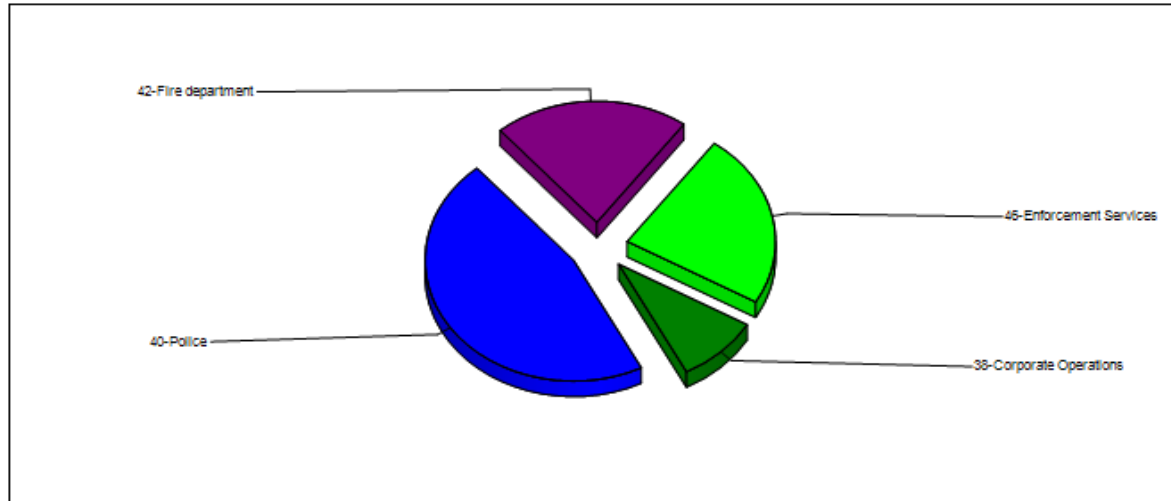
| | 2017 Budget | 2018 Budget | Change | % Change |
|----------------------------|--------------------|--------------------|----------------|---------------|
| <u>Revenue</u> | | | | |
| 38-Corporate Operations | 22,800 | 22,224 | (576) | -2.53% |
| 40-Police | 603,552 | 657,811 | 36,259 | 8.99 |
| 42-Fire department | 150,352 | 115,332 | (35,020) | -23.29% |
| 46-Enforcement Services | 455,377 | 448,577 | (6,800) | -1.49% |
| | 1,232,081 | 1,243,944 | (6,137) | -0.50% |
| <u>Expenditures</u> | | | | |
| 38-Corporate Operations | 270,974 | 322,223 | 51,249 | 18.91% |
| 40-Police | 1,596,327 | 1,635,719 | 39,391 | 2.47% |
| 42-Fire department | 623,554 | 752,087 | 128,533 | 20.61% |
| 46-Enforcement Services | 788,430 | 807,926 | 19,495 | 2.47% |
| | 3,279,285 | 3,517,954 | 238,669 | 7.28% |
| Total | (2,047,204) | (2,274,010) | 226,806 | 11.08% |

The Protective Services Division is responsible for administrative support and direction to the areas of Enforcement Services, Fire Services, Emergency and Disaster Services Management.

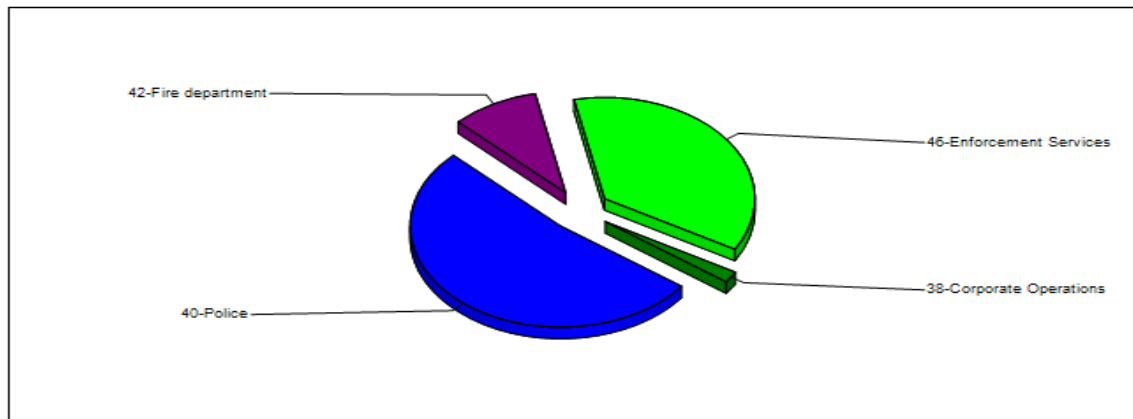
2018 Highlights:

The Protective Services Division reflects a budget for 2018 will stable revenues year over year and an increase in Operating Expenses compared to 2017. The Expense increase is includes compensation adjustments for 2018 along with legislative changes with overtime, increased dispatch fee and added Regional Emergency costs.

Protective Services
2018 Expenditures by Costing Center



Protective Services
2018 Costing Center Revenues



Summary
Corporate Operations

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|-------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | | | | |
| Sales to Other Governments | 49,370 | 50,723 | 22,800 | 22,125 | 22,224 | 22,265 | 22,784 |
| Total Revenue | 49,370 | 50,723 | 22,800 | 22,125 | 22,224 | 22,265 | 22,784 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 330,499 | 248,056 | 171,663 | 169,130 | 188,913 | 188,913 | 188,913 |
| Contracted & General Services | 55,847 | 54,319 | 70,810 | 57,825 | 87,560 | 87,560 | 87,560 |
| Materials Goods & Utilities | 2,227 | 7,981 | 16,500 | 13,343 | 33,500 | 33,500 | 33,500 |
| Other Expenses | 4,651 | 7,235 | 12,000 | 12,000 | 12,250 | 12,250 | 12,250 |
| Total Expense | 393,224 | 317,591 | 270,973 | 252,298 | 322,223 | 322,223 | 322,223 |
| Net Total | (343,854) | (266,868) | (248,173) | (230,173) | (299,999) | (301,958) | (304,929) |

2018 Highlights:

The Corporate Operations Budget for 2018 includes revenues from Alberta Health Services ambulance bay rentals. The Operating expenses for 2018 reflect an increase over the 2017 forecast and the prior year budget as a result of higher janitorial contract costs, Regional Emergency Partnership funding and current year compensation adjustments.

Summary

Police

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 | 2019 | 2020 |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Sales to Other Governments | 160,764 | 166,282 | 159,336 | 155,000 | 208,667 | 190,667 | 190,667 |
| Government Transfers | 375,216 | 375,216 | 375,216 | 379,144 | 379,144 | 379,144 | 379,144 |
| Penalties & Fines | 33,431 | 33,231 | 45,000 | 33,094 | 35,000 | 35,000 | 35,000 |
| Sales & User Charges | 42,605 | 48,920 | 24,000 | 38,515 | 35,000 | 35,000 | 35,000 |
| Total Revenue | 612,016 | 623,649 | 603,552 | 605,753 | 657,811 | 639,811 | 639,811 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 257,597 | 294,859 | 336,087 | 266,063 | 375,480 | 383,018 | 383,018 |
| Contracted & General Services | 1,037,509 | 1,012,688 | 1,260,240 | 979,018 | 1,260,240 | 1,260,240 | 1,260,240 |
| Total Expense | 1,295,106 | 1,307,547 | 1,596,327 | 1,245,081 | 1,635,720 | 1,643,258 | 1,643,258 |
| Net Total | (683,090) | (683,898) | (992,775) | (639,328) | (977,908) | (959,267) | (966,385) |

2018 Highlights:

Overall, the 2018 Budget reflects a slight increase in revenues over the 2017 forecast and budget. Revenues include a cost recovery inclusion for the RCMP clerk which reflects an increase over last year, Penalty and Fine revenues have reduced based on forecast. The Operating Expenses reflect minimal increase over last year and have maintained the RCMP policing contract costs based on a full complement of 10 officers.

**Summary
Fire
Department**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 | 2019 | 2020 |
|-------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Sales to Other Governments | 169,735 | 106,047 | 131,352 | 94,623 | 96,332 | 96,332 | 96,332 |
| Other Revenues | 17,470 | 13,510 | 19,000 | 21,929 | 19,000 | 19,000 | 19,000 |
| Total Revenue | 187,205 | 119,557 | 150,352 | 116,552 | 115,332 | 115,332 | 115,332 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 328,504 | 309,720 | 353,528 | 352,667 | 456,090 | 455,090 | 455,090 |
| Contracted & General Services | 28,194 | 30,717 | 40,012 | 28,423 | 39,099 | 39,479 | 39,479 |
| Materials, Goods & Utilities | 187,316 | 179,148 | 192,974 | 184,085 | 226,853 | 210,355 | 213,366 |
| Other Expenses | 33,763 | 16,968 | 37,040 | 27,782 | 30,045 | 30,027 | 30,399 |
| Total Expenses | 577,777 | 536,553 | 623,554 | 592,957 | 752,087 | 734,951 | 738,334 |
| Net Total | (390,572) | (416,996) | (473,202) | (476,405) | (636,755) | (619,619) | (623,002) |

2018 Highlights:

The Fire Department Operating Budget for 2018 reflects an overall reduction in revenues based on current year forecast resulting from changes to the service area for highway service calls within the region. Operating Expenses incorporate a full time fire chief along with on-call pay associated with training time to consistently align with other Fire departments. Increases are anticipated with the purchase of additional radio's and air packs.

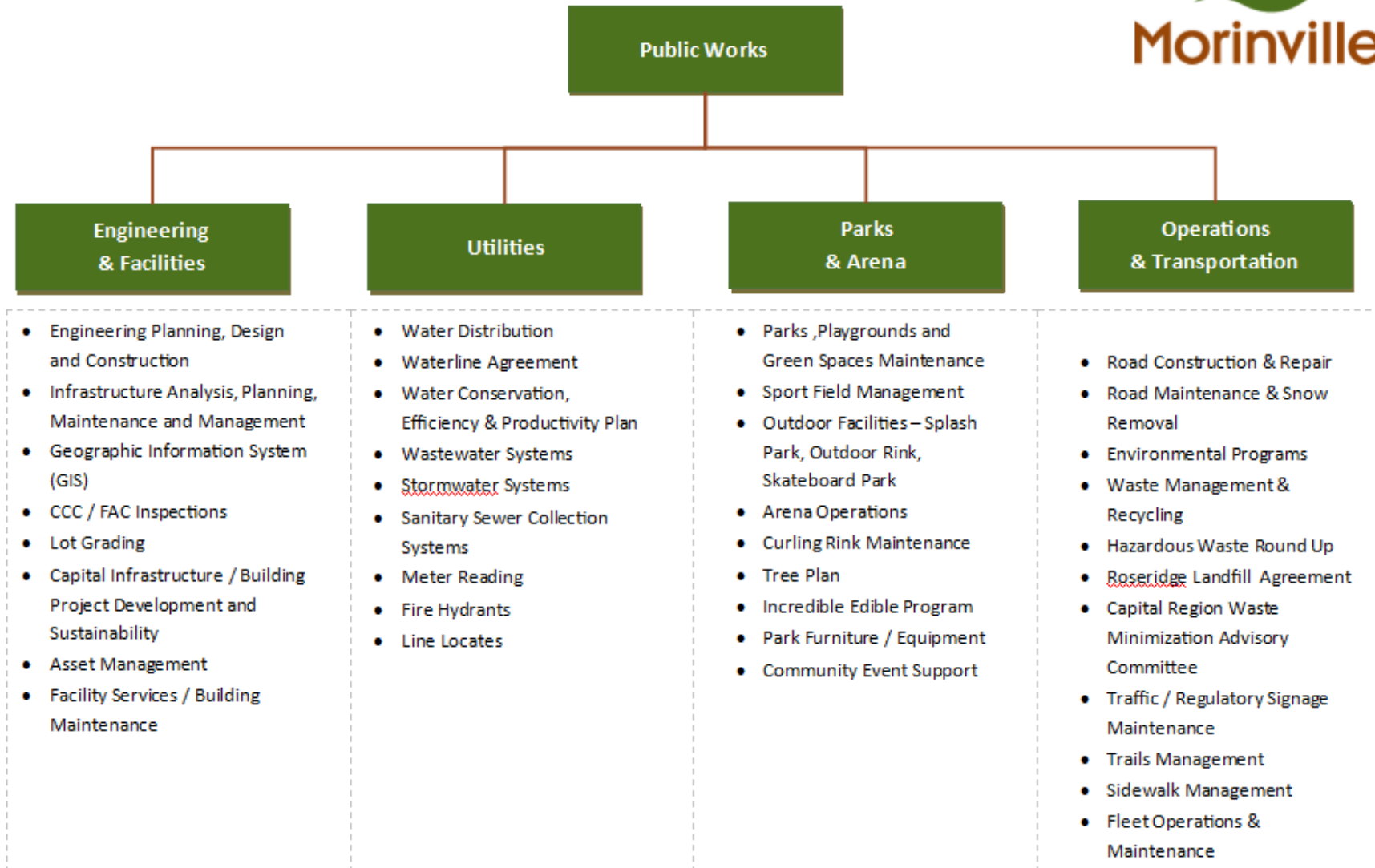
**Summary
Enforcement Services**

| | 2015 Actual | 2016 Actual | 2017 | 2017 Forecast | 2018 | 2019 | 2020 |
|-------------------------------|------------------------|------------------------|------------------|--------------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Penalties & Fines | 343,529 | 445,725 | 428,577 | 441,334 | 428,577 | 428,577 | 428,577 |
| Development Fees & Permits | 18,749 | 19,274 | 16,800 | 27,094 | 10,000 | 10,000 | 10,000 |
| Other Revenue | 8,663 | 9,150 | 10,000 | 8,534 | 10,000 | 10,000 | 10,000 |
| Total Revenue | 370,941 | 474,149 | 455,377 | 476,962 | 448,577 | 448,577 | 448,577 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 236,215 | 321,525 | 412,780 | 363,624 | 451,225 | 464,684 | 475,903 |
| Contracted & General Services | 135,074 | 337,526 | 311,750 | 279,646 | 284,750 | 302,749 | 302,749 |
| Materials, Goods & Utilities | 50,134 | 54,813 | 60,900 | 44,608 | 68,950 | 68,950 | 68,950 |
| Other Expenses | 2,595 | 2,300 | 3,000 | 2,750 | 3,000 | 3,000 | 3,000 |
| Total Expense | 424,018 | 716,164 | 788,430 | 690,628 | 807,925 | 839,383 | 850,602 |
| Net Total | (53,077) | (242,015) | (333,053) | (213,666) | (359,348) | (390,806) | (402,025) |

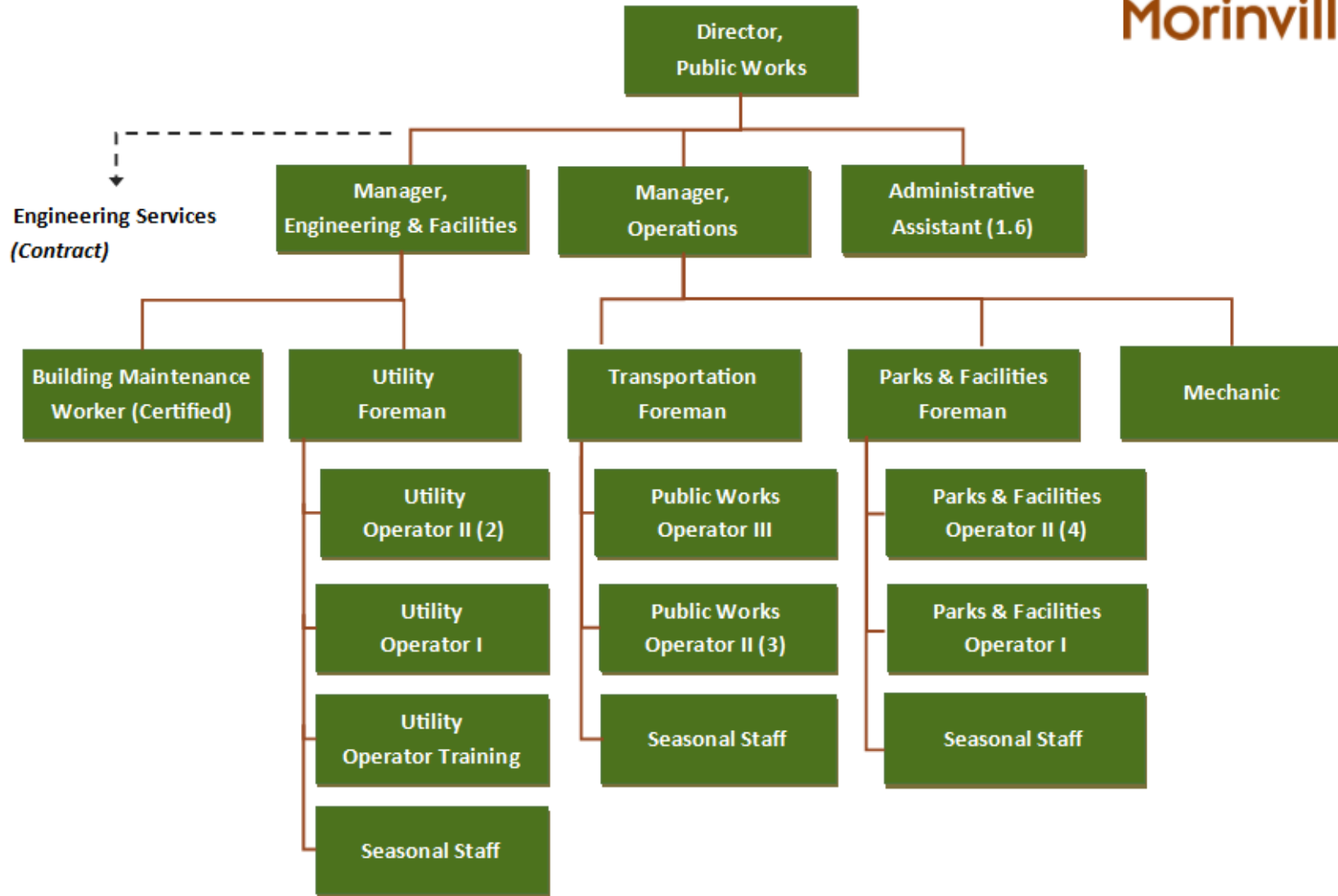
2018 Highlights:

The Enforcement Services budget for 2018 reflects stable revenues year over year. Revenues include photo enforcement revenue and with bylaw fines and animal licensing. Operating Expenses include compensation related adjustments along with shift differential and legislative changes associated with overtime. Other expense changes include a reduction in vet contract services with an offset in increased dispatch fees.

Functional Structure — Public Works



Public Works



Public Works Division - Budget Comparisons

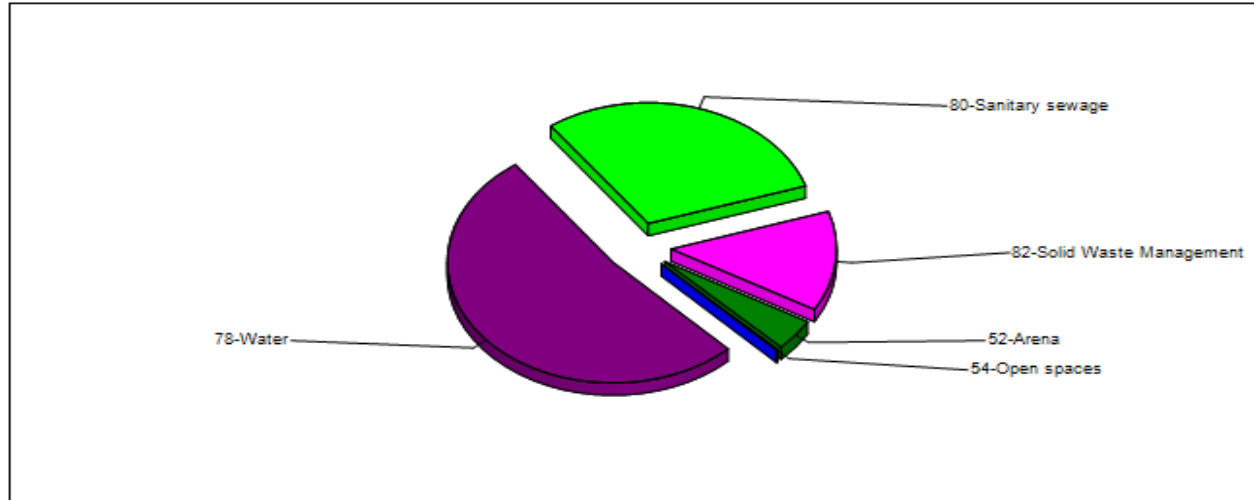
| Division | 2017 Budget | 2018 Budget | Change | % Change |
|----------------------------|--------------------|--------------------|------------------|----------------|
| <u>Revenue</u> | | | | |
| 52-Arena | 294,157 | 307,424 | 13,267 | 4.51% |
| 54-Open spaces | 18,000 | 18,000 | 0 | 0 |
| 78-Water | 3,138,841 | 3,311,175 | 172,333 | 5.49% |
| 80-Sanitary sewage | 1,802,384 | 1,956,240 | 153,856 | 8.54% |
| 82-Solid Waste Management | 803,515 | 829,612 | 26,096 | 3.25% |
| | 6,056,898 | 6,414,450 | 365,552 | 5.90% |
| <u>Expenditures</u> | | | | |
| 52-Arena | 450,848 | 428,461 | (22,387) | -4.97% |
| 54-Open spaces | 725,354 | 756,329 | 30,975 | 4.27% |
| 70-Public works | 1,140,442 | 1,212,524 | 72,082 | 6.32% |
| 72-Roads | 1,642,586 | 1,574,058 | (68,528) | -4.17% |
| 76-Storm sewers | 82,840 | 71,279 | (11,561) | -13.96% |
| 78-Water | 2,075,249 | 2,209,876 | 134,627 | 6.49% |
| 80-Sanitary sewage | 1,312,242 | 1,298,550 | (13,692) | -1.04% |
| 82-Solid Waste Management | 799,027 | 812,716 | 13,688 | 1.71% |
| | 8,228,589 | 8,363,793 | 135,204 | 1.64% |
| Total | (2,171,691) | (1,941,343) | (230,349) | -10.61% |

The Public Works division is responsible for Engineering services, Fleet Maintenance, Parks and Facilities Planning and Maintenance, Utilities, Roads, Open Spaces and Arena operations.

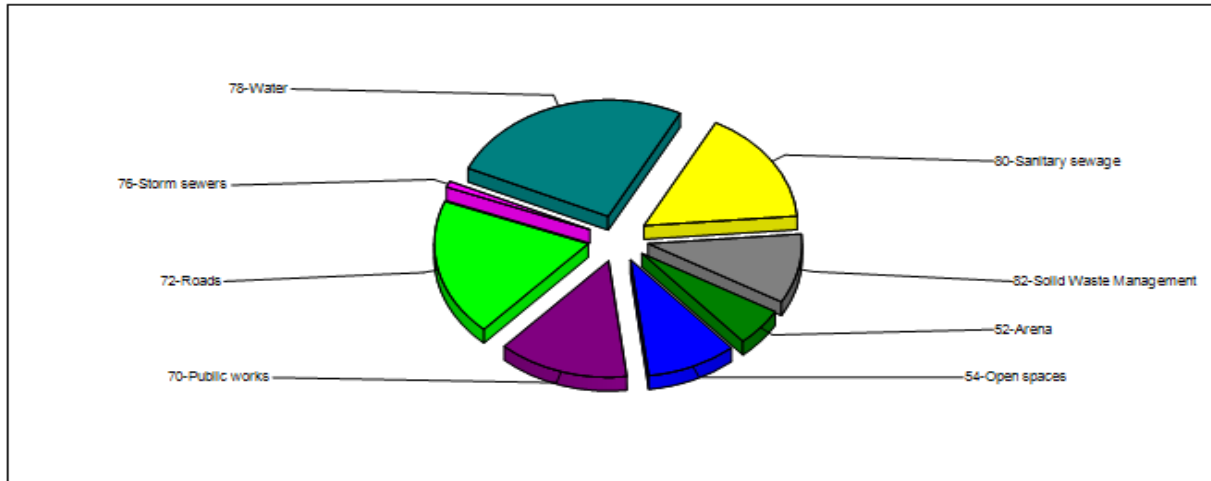
2018 Highlights:

Overall, the 2018 Public Works divisional budget reflects an overall reduction in budget year over year of \$230K.

**Public Works
2018 Costing Center Revenues**



**Public Works
2018 Expenditures by Costing Center**



Summary

Arena

| | 2015 Actual | 2016 Actual | 2017 | 2017 Forecast | 2018 | 2019 | 2020 |
|----------------------------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Government Transfers | 54,450 | 160,840 | 104,157 | 104,157 | 157,424 | 247,475 | 247,475 |
| Rentals | 191,594 | 342,257 | 190,000 | 139,043 | 150,000 | 350,000 | 444,000 |
| Other Revenues | 25,000 | | | | | | |
| Total Revenue | 271,044 | 503,097 | 294,157 | 243,200 | 307,424 | 597,475 | 687,475 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 171,363 | 359,351 | 243,050 | 233,736 | 227,189 | 876,552 | 894,084 |
| Contracted & General Services | 23,995 | 47,102 | 24,000 | 26,315 | 24,000 | 50,000 | 65,000 |
| Materials, Goods & Utilities | 149,313 | 407,446 | 163,400 | 159,775 | 160,970 | 216,958 | 210,405 |
| Interest on Long Term Debt | 24,776 | 44,228 | 20,398 | 12,686 | 16,302 | 219,622 | 263,695 |
| Total Expense | 369,447 | 858,127 | 450,848 | 432,512 | 428,461 | 1,363,133 | 1,433,184 |
| Net Total | (98,403) | (355,030) | (156,691) | (189,312) | (121,037) | (765,658) | (745,709) |

2018 Highlights:

The Arena budget reflects revenues associated with the Regional cost share agreement. Operating Expenses have reduced overall for 2018. The 2019-2020 Budget reflects estimated costs to operate the new Recreation centre and will be further reviewed once service levels have been clearly established.

**Summary
Open Spaces**

| | 2015 Actual | 2016 Actual | 2017 | 2017 Forecast | 2018 | 2019 | 2020 |
|------------------------------------|------------------------|------------------------|------------------|--------------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Government Transfers | | 15,579 | | | | | |
| Rentals | 19,064 | 51,158 | 18,000 | 7,000 | 18,000 | 10,000 | 10,000 |
| Total Revenue | 19,064 | 66,737 | 18,000 | 7,000 | 10,000 | 10,000 | 10,000 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 548,801 | 1,064,788 | 452,554 | 444,314 | 502,499 | 536,105 | 541,758 |
| Contracted & General Services | 3,255 | 5,388 | 15,000 | 5,143 | 15,000 | 15,000 | 15,000 |
| Materials, Goods & Utilities | 253,455 | 503,558 | 257,800 | 223,989 | 238,830 | 241,979 | 246,140 |
| Bank Charges & Short Term Interest | 68 | 891 | | | | | |
| Total Expense | 805,579 | 1,574,625 | 725,354 | 673,446 | 756,329 | 793,084 | 802,898 |
| Net Total | (786,515) | (1,507,888) | (707,354) | (666,446) | (738,329) | (783,084) | (792,898) |

2018 Highlights:

The Open Space departmental revenues have been based on forecast. The operating expense budget for 2018 reflects the addition of one new full time position proposal with an offset in other combined expenses.

**Summary
Public Works**

| | 2015 Actual | 2016 Actual | 2017 | 2017 Forecast | 2018 | 2019 | 2020 |
|-------------------------------|------------------------|------------------------|--------------------|--------------------------|--------------------|--------------------|--------------------|
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 440,793 | 646,104 | 683,142 | 689,311 | 695,849 | 764,090 | 764,348 |
| Contracted & General Services | 50,263 | 53,876 | 65,000 | 57,000 | 87,180 | 85,380 | 87,200 |
| Materials, Goods & Utilities | 151,765 | 392,801 | 388,800 | 380,638 | 425,495 | 405,570 | 412,952 |
| Other Expenses | 3,140 | 2,920 | 3,500 | 2,381 | 4,000 | 3,500 | 3,500 |
| Total Expense | 645,961 | 1,095,701 | 1,140,442 | 1,129,330 | 1,212,524 | 1,258,540 | 1,268,000 |
| Net Total | (645,961) | (1,095,701) | (1,140,442) | (1,129,330) | (1,212,524) | (1,258,540) | (1,268,000) |

2018 Highlights:

The Public Works Administration department includes all full time salaries to manage the department. Expenses reflect a slight increase over forecast and the prior year budget due to specific maintenance projects for the Fire Hall and Public Works.

Summary

Roads

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Revenues | | | | | | | |
| Other Revenues | 10,788 | 12,946 | | | | | |
| Total Revenues | 10,788 | 12,946 | 0 | 0 | 0 | 0 | 0 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 621,376 | 594,589 | 708,605 | 636,267 | 639,169 | 639,169 | 639,169 |
| Contracted & General Services | 84,448 | 63,603 | 174,000 | 143,010 | 174,000 | 181,000 | 186,000 |
| Materials, Goods & Utilities | 710,138 | 665,009 | 751,600 | 649,478 | 756,433 | 770,263 | 785,357 |
| Interest on Long Term Debt | 12,123 | 9,715 | 8,381 | 4,501 | 4,456 | 1,588 | 0 |
| Total Expense | 1,428,085 | 1,332,916 | 1,642,586 | 1,433,256 | 1,574,058 | 1,592,020 | 1,610,526 |
| Net Total | (1,417,297) | (1,319,970) | (1,642,586) | (1,433,256) | (1,574,058) | (1,592,020) | (1,610,526) |

2018 Highlights:

Overall, the Road departmental budget reflects expenditures slightly higher than forecast and lower than last year's budget based on adjusted operational overtime costs. Prior year actual revenues have reflected cost recoveries associated with insurance claims (not budgeted for).

Summary

Storm Sewers

| | 2015 Actual | 2016 Actual | 2017 | 2017 Forecast | 2018 | 2019 | 2020 |
|-------------------------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | | 344 | | | | | |
| Contracted & General Services | 64,264 | 47,529 | 47,000 | 14,537 | 22,000 | 47,000 | 47,000 |
| Materials, Goods & Utilities | 29,882 | 28,064 | 35,840 | 37,732 | 49,279 | 50,017 | 50,933 |
| Total Expense | 94,146 | 75,937 | 82,840 | 52,269 | 71,279 | 97,017 | 97,933 |
| Net Total | (94,146) | (75,937) | (82,840) | (52,269) | (71,279) | (97,017) | (97,933) |

2018 Highlights:

The Storm budget for 2018 reflects an overall reduction in Operating Expenses compared to last year's budget.

Some expenses have been reclassified within the department which includes the Storm Water pond fountain

being accounted for as an asset vs an operating expenses as in prior years.

UTILITY SUPPORTED OPERATING BUDGET

The Morinville owns and operates a water and sewer utility providing water and sanitary service to Morinville as well as access to water for the Town of Legal and Sturgeon County through the Morinville Regional Waterline based on a cost-sharing ratio. The utility is operated on a full cost recovery basis and is intended to fund current and future capital needs of the utility system. Utilities need to provide a surplus of funds in order to establish reserves that will fully fund all capital acquisitions over the life of the utility. The following outline operating revenues and expenditures for the utility. Excess funds are allocated to Capital Reserves and used for Capital Purchases that support Utilities.

2018 HIGHLIGHTS:

Overall, the 2018 Utility Supported Budget reflects revenues totaling \$6M which represents an increase of approximately \$504K as a result of growth and increased utility levies of 1.9%. Operating Expenses total \$4.3M are projecting an increase over last year's budget of 3% as a result of increased utility related Contract Service costs (Water purchases, Regional Sewage, Waste Removal) along with one new full time utility position and other salary allocations as well as; added initiative costs to complete a review the existing utility rate model and evaluate the process of incorporating Storm levies into our existing rate model.

The overall Budget reflects a surplus within the Utility Supported operations totaling \$1.7M.

**Town of Morinville
2018 Utility Supported**

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|--------------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| Revenue: | | | | | | | |
| Water, Wastewater & Solid Waste Fees | 4,985,507 | 5,083,288 | 5,253,969 | 5,177,237 | 5,636,534 | 5,619,741 | 5,698,865 |
| Sales to Other Governments | 493,987 | 442,577 | 466,771 | 397,298 | 436,492 | 445,222 | 454,127 |
| Penalties & Fines | 25,098 | 25,213 | 24,000 | 18,795 | 24,000 | 24,000 | 24,000 |
| Other Revenues | 1,833 | | | | | | |
| Total Revenue | 5,506,424 | 5,551,078 | 5,744,741 | 5,593,330 | 6,097,026 | 6,088,963 | 6,176,992 |
| Expense: | | | | | | | |
| Salaries, Wages & Benefits | 746,830 | 822,602 | 941,977 | 874,831 | 1,077,990 | 1,123,351 | 1,129,375 |
| Contracted & General Services | 743,961 | 878,157 | 826,827 | 845,000 | 861,516 | 865,150 | 867,457 |
| Materials Goods & Utilities | 2,165,564 | 1,459,580 | 1,527,372 | 1,416,099 | 1,542,317 | 1,538,247 | 1,564,850 |
| Purchases from Other Governments | | 826,079 | 875,342 | 868,246 | 824,319 | 840,805 | 857,621 |
| Bank Charges & Short Term Interest | | 203 | | | | | |
| Other Expenses | 35,518 | 12,171 | 15,000 | 15,098 | 15,000 | 15,000 | 15,000 |
| Total Expense | 3,691,873 | 3,998,792 | 4,186,518 | 4,019,274 | 4,321,141 | 4,382,553 | 4,434,303 |
| Net Total | 1,814,551 | 1,552,286 | 1,558,222 | 1,574,056 | 1,775,885 | 1,706,410 | 1,742,689 |

**Summary
Water**

| | 2015 Actual | 2016 Actual | 2017 | 2017 forecast | 2018 | 2019 | 2020 |
|--------------------------------------|------------------------|------------------------|------------------|--------------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Water, Wastewater & Solid Waste Fees | 2,545,471 | 2,589,562 | 2,648,070 | 2,604,455 | 2,850,682 | 2,907,696 | 2,965,850 |
| Sales To Other Governments | 493,987 | 442,577 | 466,771 | 397,298 | 436,492 | 445,222 | 454,127 |
| Penalties & Fines | 25,098 | 25,213 | 24,000 | 18,795 | 24,000 | 24,000 | 24,000 |
| Other Revenues | 1,833 | | | | | | |
| Total Revenue | 3,066,389 | 3,057,352 | 3,138,841 | 3,020,548 | 3,311,175 | 3,376,918 | 3,443,976 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 599,267 | 657,067 | 629,217 | 589,313 | 718,369 | 744,937 | 749,445 |
| Contracted & General Services | 29,118 | 106,446 | 27,800 | 50,000 | 52,800 | 55,150 | 57,457 |
| Materials, Goods & Utilities | 1,276,962 | 1,369,810 | 1,403,232 | 1,316,167 | 1,423,707 | 1,422,530 | 1,447,840 |
| Other Expenses | 12,293 | 12,374 | 15,000 | 15,098 | 15,000 | 15,000 | 15,000 |
| Total Expense | 1,917,640 | 2,145,697 | 2,075,249 | 1,970,578 | 2,209,876 | 2,237,617 | 2,269,742 |
| Net Total | 1,148,749 | 911,655 | 1,063,592 | 1,049,970 | 1,101,299 | 1,139,301 | 1,174,234 |

2018 Highlights:

Overall, the 2018 Revenues reflect an increase associated with growth along with increased levies. Operating expenses have increased primarily as a result of higher water costs purchases and a new full time Utility operator in training.

**Summary
Sanitary
Sewage**

| | 2015 Actual | 2016 Actual | 2017 | 2017 Forecast | 2018 | 2019 | 2020 |
|--------------------------------------|------------------------|------------------------|------------------|--------------------------|------------------|------------------|------------------|
| Revenues | | | | | | | |
| Water, Wastewater & Solid Waste Fees | 1,712,632 | 1,752,959 | 1,802,384 | 1,762,782 | 1,956,240 | 1,882,433 | 1,903,403 |
| Total Revenue | 1,712,632 | 1,752,959 | 1,802,384 | 1,762,782 | 1,956,240 | 1,882,433 | 1,903,403 |
| Expenditures | | | | | | | |
| Salaries, Wages & Benefits | 132,468 | 165,535 | 312,761 | 285,518 | 359,622 | 378,414 | 379,930 |
| Contracted & General Services | 18,460 | 18,980 | | | | | |
| Materials, Goods & Utilities | 99,860 | 89,770 | 124,139 | 99,932 | 114,609 | 115,717 | 117,010 |
| Purchases from other Governments | 788,742 | 826,079 | 875,342 | 868,246 | 824,319 | 840,805 | 857,621 |
| Total Expense | 1,039,530 | 1,100,364 | 1,312,242 | 1,253,696 | 1,298,550 | 1,334,936 | 1,354,562 |
| Net Total | 673,102 | 652,595 | 490,142 | 509,086 | 657,690 | 547,497 | 548,841 |

2018 Highlights:

The Sanitary budget for 2018 reflects increased revenues based on updates calculated within the utility rate model which also projects an overall increase in growth. Operating Expenses total \$1.2M and reflect an overall reduction compared to last year's budget and a slight increase over the 2017 forecast.

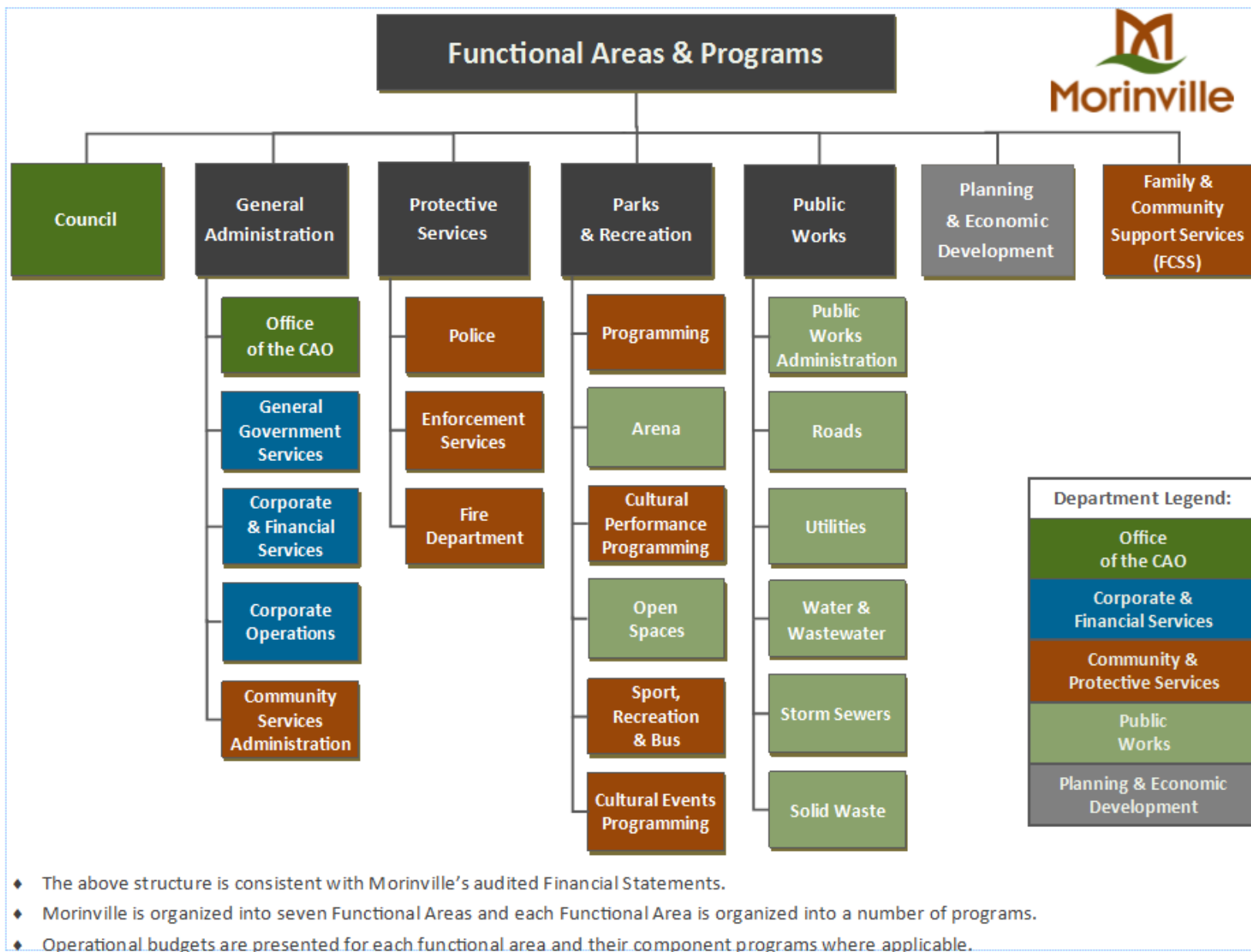
Solid Waste

| | 2015 Actual | 2016 Actual | 2017 Budget | 2017 Forecast | 2018 Budget | 2019 Budget | 2020 Budget |
|--------------------------------------|----------------|-----------------|----------------|------------------|----------------|----------------|----------------|
| Revenues | | | | | | | |
| Water, Wastewater & Solid Waste Fees | 727,404 | 740,767 | 803,515 | 810,000 | 829,612 | 829,612 | 829,612 |
| Total Revenue | 727,404 | 740,767 | 803,515 | 810,000 | 829,612 | 829,612 | 829,612 |
| Expenditures | | | | | | | |
| Contracted & General Services | 696,384 | 752,731 | 799,027 | 795,000 | 808,716 | 810,000 | 810,000 |
| Materials, Goods & Utilities | | | | | 4,000 | | |
| Total Expense | 696,384 | 752,731 | 799,027 | 795,000 | 812,716 | 810,000 | 810,000 |
| Net Total | 31,020 | (11,964) | 4,488 | 15,000 | 16,896 | 19,612 | 19,612 |

2018 Highlights:

The Solid Waste budget projects a marginal increase in both Operating Revenues and Expenses for 2018.

The budget includes \$4,000 for the Re-Use it event, scheduled for twice a year.



CONSOLIDATED TAX AND UTILITY SUPPORTED OPERATIONS

| | <i>Council</i> | <i>General Administration</i> | <i>Protective Services</i> | <i>Parks & Recreation</i> | <i>Public Works</i> | <i>Planning & Development</i> | <i>FCSS</i> | <i>Total Tax Supported</i> | <i>Utilities</i> | <i>Total Town</i> |
|--------------------------------------|------------------|-------------------------------|----------------------------|-------------------------------|---------------------|-----------------------------------|------------------|----------------------------|------------------|-------------------|
| Revenue: | | | | | | | | | | |
| Net Taxation | | 9,340,103 | | | | | | 9,340,103 | | 9,340,103 |
| Water, Wastewater & Solid Waste Fees | | | | | | | | - | 5,636,534 | 5,636,534 |
| Franchise Fees | | 1,694,942 | | | | | | 1,694,942 | | 1,694,942 |
| Sales to Other Governments | | 44,500 | 304,999 | | | | | 349,499 | 436,492 | 785,991 |
| Government Transfers | | 75,000 | 379,144 | 166,424 | | | 246,122 | 866,690 | | 866,690 |
| Penalties & Fines | | 100,000 | 463,577 | | | | | 563,577 | 24,000 | 587,577 |
| Development Fees & Permits | | | 10,000 | | | 321,500 | | 331,500 | | 331,500 |
| Rentals | | 145,420 | | 173,000 | | | | 318,420 | | 318,420 |
| Investment Income | | 150,000 | | | | | | 150,000 | | 150,000 |
| Sales & User Charges | | 14,500 | 35,000 | 21,500 | | 6,000 | | 77,000 | | 77,000 |
| Other Revenues | | 20,000 | 29,000 | 93,873 | | | 37,230 | 180,103 | | 180,103 |
| Total Revenue | 0 | 12,036,967 | 1,221,720 | 454,797 | 0 | 327,500 | 283,352 | 13,871,834 | 6,097,026 | 19,968,860 |
| Expense: | | | | | | | | | | |
| Salaries, Wages & Benefits | 280,159 | 2,765,678 | 1,282,795 | 1,183,451 | 1,335,018 | 559,065 | 294,074 | 7,700,240 | 1,077,990 | 8,778,230 |
| Contracted & General Services | 49,900 | 981,635 | 1,584,089 | 201,900 | 283,180 | 430,628 | 17,300 | 3,548,632 | 861,516 | 4,410,148 |
| Materials Goods & Utilities | 38,200 | 597,116 | 295,803 | 548,555 | 1,231,207 | 45,000 | 38,304 | 2,794,185 | 1,542,317 | 4,336,501 |
| Purchases from Other Governments | | | | | | | | 0 | 824,319 | 824,319 |
| Interest on Long Term Debt | | 49,064 | | 16,302 | 4,456 | | | 69,823 | | 69,823 |
| Bank Charges & Short Term Interest | | 21,200 | | 600 | | | 500 | 22,300 | | 22,300 |
| Other Expenses | | 68,850 | 33,045 | 684,433 | 4,000 | 57,500 | 46,150 | 893,978 | 15,000 | 908,978 |
| Total Expense | 368,259 | 4,483,543 | 2,195,732 | 2,635,241 | 2,872,134 | 1,092,193 | 396,328 | 15,029,157 | 4,321,142 | 19,350,299 |
| Net Total | (368,259) | 7,553,424 | (1,974,012) | (2,180,444) | (2,872,134) | (764,693) | (112,976) | (1,157,323) | 1,775,885 | 618,562 |

Consolidated Functional Operations

