



2018 Budget Presentation

April 10, 2018

Agenda

1. Reflection on 2017 Operations and Capital Projects
2. 2018 Challenges and Operating Initiatives
3. Operating budget by department
4. Capital budget
5. Tax requirements
6. Questions from public

2017 Reflection - Operations

- In 2017, we increased the hours of the FCSS being open from two days a week to 3 days per week.
- Having great turn out for FCSS events such as Rosebud Theatre, Trip to Jasper.
- Financials are more streamlined.
- Did well in an Assessment Audit by the Province.
- Changed over the phone system for savings and better service to our ratepayers.

2017 Reflection – Capital Projects

- 2017 Street Program was more work than we thought; however the results are good and the feedback from the public have been positive.
- Resolved the media issues with the Water Treatment Plant and will not need to put new media in for a few more years.

2018 Challenges

- A very tight budget for 2018.
- Reduction in funding through the MSI program.
- Tendering out projects early. Still waiting to hear from the Province on grants that were applied for in 2017 for 2018.
- Completing the required legislation from the new MGA in the timelines given.
- Working with AHS to secure funding through RhPAP to keep the Medical Clinic open at least 1 day per week.
- Overseeing the Library Expansion.
- Fire Hall renovation.

2018 Operational Initiatives

- Assuming responsibility for Tangible Capital Asset accounting and management to reduce cost from the auditor.
- Completing subdivision for Village owned lots.

2018 Operating Budgets by Department

Legislative (Council)

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	0	0	0	0
Expense	\$21,230	16,985	19,691	18,100

Notable items:

This department only includes per diem, benefits, and travel.

Administration

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	50,417	56,723	71,515	51,850
Expense	271,129	201,378	195,209	153,691

Notable Items:

Administration is continuing to work to become more efficient.

Bylaw & Disaster Services

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	488	205	560	853
Expense	38,887	0	0	5,000

Notable Items:

In 2018, it is expected that the Village will contribute to the costs of having the Town of Carstairs provide Bylaw enforcement services.

To date, no monies have been spent on bylaw.

Fire Services

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	0	0	0	0
Expense	39,979	41,856	46,995	49,970

Notable Items:

2017 increase was a result of increase to the small capital budget which the Village contributes 20%. There were also extra funds for the new phone system and some costs related to the renovations.

Public Works

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	11,827	3,024	8,125	5,000
Expense	162,874	145,055	158,199	105,190

Roads & Streets

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	0	0	0	0
Expense	66,715	84,688	54,757	70,583

Water

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	172,834	171,335	203,044	217,245
Expense	242,410	284,842	196,709	122,960

Wastewater (sewer)

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	44,801	42,470	45,971	53,000
Expense	66,715	43,085	81,834	18,900

Solid Waste

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	40,815	46,301	54,565	55,000
Expense	89,319	38,930	39,812	44,750

Notable Items:

- In 2015, the Village purchased roll out carts and we now have an inventory; however we will need to purchase green and blue carts if development happens in 2018.
- In 2018, the Towns of Didsbury, Carstairs, Sundre and the Village of Cremona will be going to tender for residential pick up service. At this time it is not clear if that service will increase or decrease costs.

Family & Community Support Services

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	65,624	71,926	96,251	84,183
Expense	57,150	69,465	94,582	83,193

Notable Items:

In 2016 and 2017 there was a coding error with grants that are not FCSS related such as Transportation Grant, Recreation Board grant from Mountain View County. This error in coding shows the revenue and expense more than the actual.

Planning & Development

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	3,363	1,297	2,307	9,750
Expense	8,801	12,300	18,594	22,550

Notable Items:

- We will have an increase due to Urban Systems working on the IDP and possibly updating the LUB.
- 2017 the Subdivision for the Village's DC lands were started and are continuing into 2018.
- If we have development, we should have an increase in revenue which will offset the expense.

Parks & Recreation

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	7,025	4,218	0	2,500
Expense	15,407	15,725	9,911	7,100

Notable Items:

- In 2015 and 2016 the grant from the Recreation Board should have been coded to Cremona/Canada Day.
- The 2018 budgeted includes \$2,500 for the FORTIS Grant which if we receive we will be purchasing bear safe garbage bins for the Nature Trail area.

Cemetery

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Revenue	2,725	4,776	1,200	3,100
Expense	1,889	4,154	2,519	6,500

Notable Items:

- Cremona has been receiving a \$1,000 grant from the County to fix up headstones in the cemeteries. Council has been matching this grant.
- In 2017 Council made a resolution to put more funds into cemetery landscaping and repairs.
- Budget 2018 includes a \$3000 increase over the 2017 budget for this purpose.

2018 Wages & Benefits

	2015 Actual	2016 Actual	2017 YTD	2018 Budget
Wages & benefits	287,200	302,552	362,478	346,815

Notable Items:

- The 2018 budget does not have an increase to salaries.
- Changes to the On-call procedure and pay policy should reduce costs.
- The budget as presented includes no monies for overtime hours and as such, any overtime by employees would be expected to be banked as time in-lieu.

Amortization

- The 2018 budget does not include amortization expense.
- Amortization is a non-cash expense that serves as an indication of the value that is lost or depreciated on a capital asset as time progresses (i.e. roads, water lines, vehicles)
- Once an asset has been fully depreciated, it suggests that the asset may need to be replaced
- I do not have 2018 amortization at this time.

2018 Operating Budget Overview

	2015	2016	2017 YTD	2018 Budget
Expense	\$ 1,052,331	\$ 1,069,534	\$ 1,035,286	\$ 897,987

2018 Capital Budget

2018 Capital Projects

Project	Est. Costs	How it is funded
Fire Hall Renovations	\$ 8,320	MSI
Fire Hydrant to Centre St.	\$ 25,000	MVC shared costs
Hydrant repairs (8-10)	\$ 20,000	Unknown
Liner in sanitary line at top of Centre Street	\$ 40,000	MSI
3 rd Street Rehab & Underground	\$ 950,000	\$ 475,000 STIP Grant \$ 475,000 ?
Automated Bulk Water System	\$ 80,000	MVC Grant
Storm Water Replacement Hwy 580 by KC Foods	\$ 20,000	CWWF Grant
Upgrade water meter software	\$ 20,000	CWWF Grant

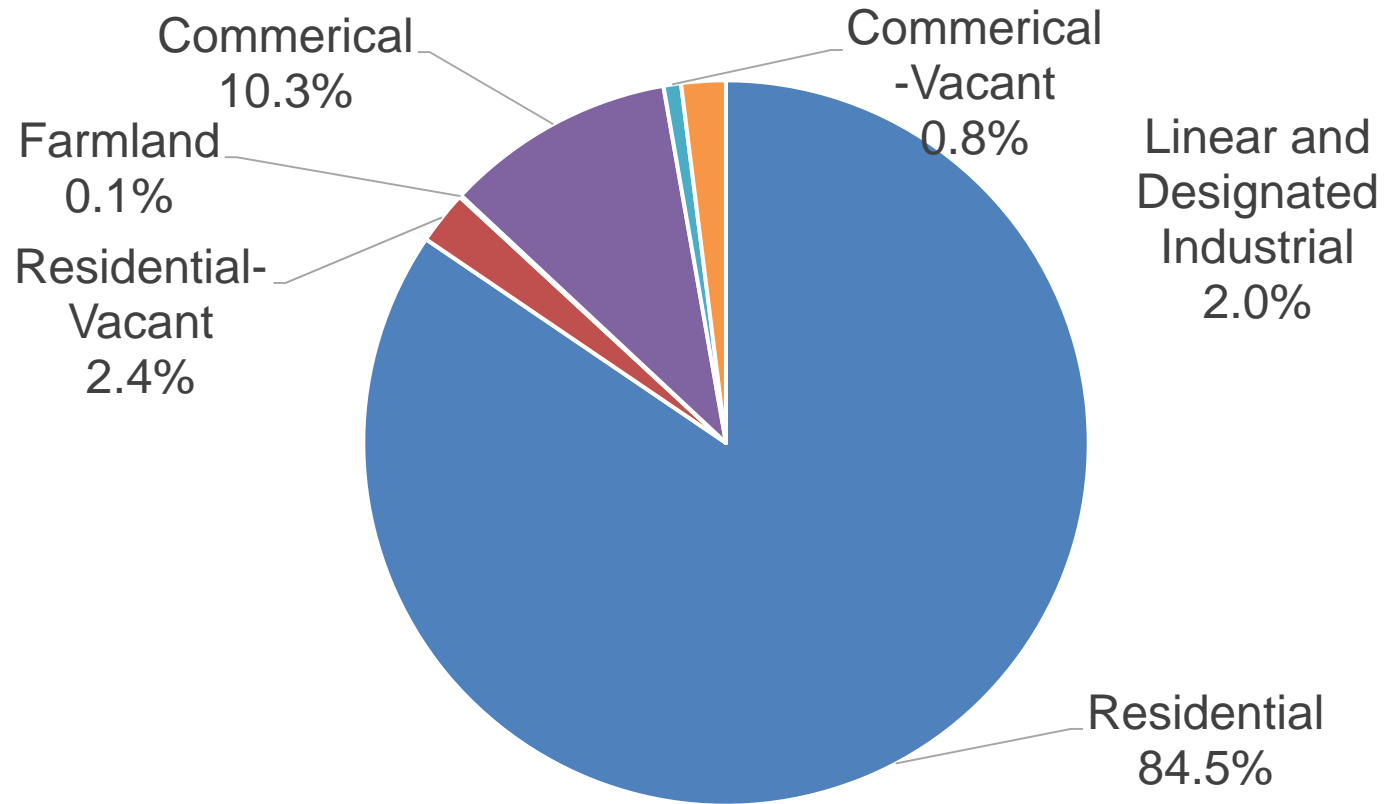
Notable Items:

The CWWF Grant and the STIP Grants have been applied for, no word if they have been accepted or awarded.

2017 MSI Capital for Cremona:	\$195,777	2018: \$158,285
2017 MSI Operating for Cremona:	\$34,441	2018: \$31,150
2017 Federal Gas Tax for Cremona:	\$50,000	2018: \$50,000

2018 Assessment & Taxes

Property assessment by category



Municipal Tax Levy

	2018
Cost to operate municipality	\$ 877,027
Add: Budgeted surplus	20,727
Less: Operating fees & grant revenue	(492,481)
Total Taxes Required in Year	\$ 405,273

Requisitions

	2017	2018	Change
Education tax requisition	\$116,195	\$123,536	6.3%
Mountain View Seniors' Housing requisition	\$6,870	\$7,415	7.9%

The Government of Alberta's education tax requisition requires the Village to collect an additional \$6,846 from residential taxpayers and \$496 from non-residential taxpayers.

Proposed 2018 Tax Levy Increase for Municipal Purposes

Total Taxes Required in Year (includes MVSH & ASFF)	\$ 536,224
Residential	3%
Residential Vacant	4%
Commercial	1%
Commercial Vacant	6%
Farmland	1%

Key Factors Contributing to Increase

1. Cost of Living has gone up 2.2%
2. Alberta School Foundation Fund increase of 6%
3. There were some properties that had an increase in assessment; however there were quite a few that went down

Steps Taken to Reduce Costs

- Changed on-call policy
- Takeover TCA duties rather than the auditor
- No salary increases in 2018
- Reduction in construction and upgrades related to water and wastewater, roads and streets.

Proposed Tax Rate Scenarios

Municipal Tax Only

	Average single family residential property	Average residential vacant	Average mobile home	Average commercial property	Average vacant commercial property
Average assessment	233,000	76,700	25,000	215,000	27,750
2017 municipal tax	\$ 1,767	\$ 821	\$ 190	\$ 3,275	\$ 536
2018 municipal tax	\$ 1,820	\$ 854	\$ 195	\$ 3,308	\$568
Increase/ (decrease) for the year	\$ 53	\$ 33	\$ 5	\$ 33	\$ 32
% Change	3.0%	4.0%	3.0%	1.0%	6.0%

Impact of changes in the Government of Alberta's Education Tax Requisition

	Average single family residential property	Average residential vacant	Average mobile home	Average commercial property	Average vacant commercial property
Average assessment	233,000	76,700	25,000	215,000	27,750
2017 education tax	\$ 577	\$ 190	\$ 62	\$ 778	\$ 127
2018 education tax	\$ 608	\$ 200	\$ 65	\$ 789	\$129
Increase/ (decrease) for the year	\$ 31	\$ 10	\$ 3	\$ 11	\$ 2

Impact of changes in the Mountain View Seniors' Housing Requisition

	Average single family residential property	Average residential vacant	Average mobile home	Average commercial property	Average vacant commercial property
Average assessment	233,000	76,700	25,000	215,000	27,750
2017	\$ 36	\$ 12	\$ 4	\$ 33	\$ 5
2018	\$ 38	\$ 13	\$ 4	\$ 35	\$ 6
Increase/ (decrease) for the year	\$ 2	\$ 1	\$ -	\$ 2	\$ 1

Total property tax bill

	Average single family residential property	Average residential vacant	Average mobile home	Average commercial property	Average vacant commercial property
Average assessment	233,000	76,700	25,000	215,000	27,750
2017	\$ 2,380	\$ 1,023	\$ 255	\$ 4,086	\$ 669
2018	\$2,466	\$ 1,067	\$ 265	\$ 4,132	\$ 703
Increase/ (decrease) for the year	\$ 86	\$ 44	\$ 9	\$ 45	\$ 34
% Change	3.6%	4.3%	3.6%	1.1%	5.1%

2018 Budget

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