



**SMOKY LAKE COUNTY COUNCIL BUDGET MEETING
AGENDA**

Wednesday, April 24, 2024, at 9:00 a.m. held

Virtually <https://video.businessconnect.telus.com/join/990756812> (Meeting ID # 990756812) and

Physically in Smoky Lake County Council Chambers, 4612 McDougall Drive, Smoky Lake

1. Call to Order
2. Adoption of Agenda
3. Adoption of Minutes
Nil
4. Delegation(s)
Nil
5. Requests for Decisions
 - 5.1. Five Year Capital Budget
 - 5.2. 2024 Final Total Budget
 - 5.3. Bylaw 1461-24 2024 Tax Rate
6. Correspondence
Nil
7. In Camera (Executive Session)
8. Adjournment.



Request for Decision (RFD)

Meeting Date: Tuesday, April 25, 2023

Agenda Item: # 4(a)

Topic: Smoky Lake County Five Year Capital Budget

Presented By: Brenda Adamson, Finance Manger

Recommendation:

That Smoky Lake County approve the consolidated 2024-2028 Five Year Capital Budget including the Capital Bridge Plan and Capital Road Plan of expenditures.

- ✓ 2024 \$9,257,321
- ✓ 2025 \$10,907,927
- ✓ 2026 \$ 6,453,116
- ✓ 2027 \$ 5,678,001
- ✓ 2028 \$ 3,523,117

Background:

The Five Year Capital Budget identifies the capital projects to be budgeted for in 2024, 2025, 2026, 2027, and 2028.

The interim capital budget was passed in December 2023. To arrive at a balanced budget, equipment replacement was delayed to 2025. Reserve transfers were then removed from 2024 and 2025 so that the County can catch up on some of the equipment needs.

Benefits:

- Administration and Council can plan for future years
- Council and Administration can discuss alternatives for funding.
- The plan is updated each year to reflect changes in priorities and situations.

Disadvantages:

- There are many unknown factors, therefore future years are only estimates of what we can expect.

Alternatives:

- Council can add, delete, or change projects.

Financial Implications:

Smoky Lake County will invest in Capital each year:

- ✓ 2024 \$9,257,321
- ✓ 2025 \$10,907,927
- ✓ 2026 \$ 6,453,116
- ✓ 2027 \$ 5,678,001
- ✓ 2028 \$ 3,523,117



Request for Decision (RFD)

The total 2024 Capital budget including Municipal, Natural Gas, Road, and Bridge Projects is : 9,257,321. This will be funded using \$4,074,411 in grants, \$1,698,717 in reserves, \$1,306,700 offset from asset sales, and \$2,127,493 Municipal Operating Revenue.

Legislation:

Required plans 283.1

(3) Each municipality must prepare a written plan respecting its anticipated capital property additions over a period of at least the next 5 financial years.

(6) Council must annually review and update its financial plan and capital plan.

Intergovernmental:

na

Strategic Alignment:

na

Enclosure(s):

1. *2024 Capital Budget*
2. *Five Year Capital Plan*

Signature of the CAO: _____

**Smoky Lake County
2024 - 2028 Capital Budget**

Dept		Budget 2024	Budget 2025	Budget 2026	Budget 2027	Budget 2028	FUNDING NOTE
ADM	AGGREGATE LICENSE REV TO RESERVE	R 200,000	200,000	200,000	200,000	200,000	rev from aggregate lic to road res
ADM	LAND SALES TO RESERVES	701,000					proceeds of land sales transferred to reserve
ADM	ADMIN BUILDING RESERVE	R		50,000	50,000	50,000	
ADM	INTERDEPT DRONE REPLACEMENT	E		12,000			
ADM	ORTHO PHOTOS RESERVE	R	-	30,000			
ADM	ORTHO PHOTOS	E			110,000		fund from reserve/possible ACP grant
ADM	DEPARTMENT TOTAL	901,000	200,000	292,000	360,000	250,000	
Bylaw	LIDAR GUN	E 7,000					
Bylaw	COMMERCIAL VEHICLE SCALES X 2 removed	E -					removed
BYLAW	DEPARTMENT TOTAL	7,000	-	-	-	-	
FIRE	FIRE BUILDING RESERVE	R		75,000	75,000		
FIRE	FIRE EQUIPMENT RESERVE	R		10,000	10,000		
FIRE	FIRE APPARATUS RESERVE	R		162,000	162,000		
FIRE	MSA 6000 PLUS TIC WITH TRUCK MOUNT	E 14,435					Town to pay 40%
FIRE	AFRRCS RADIO REPLACEMENT	E 18,500					Insurance to cover 10,500
FIRE	NEW AFRRCS RADIOS	E 10,500					Town to pay 40%
FIRE	REPLACE FIRE TRUCK WASK 403	E	663,000				reserve
FIRE	REPLACE RESCUE TRUCK SL 407	E			218,484		reserve/town contribution
FIRE	REPLACE FIRE TRUCK VILNA 401	E					replace in 2029
FIRE	REPLACE WATER TRUCK SL 445	E					replace in 2032
FIRE	DEPARTMENT TOTAL	43,435	663,000	247,000	465,484	-	
PW	GRADER REPLACEMENT	E	1,122,000	764,694	779,988	795,588	reserves & grants
PW	GRADER RESERVE	R 500,000					
PW	2022 GRADER ORDERED	E 659,000					reserves & grants
PW	REPLACE SANDING TRUCK 195 RESERVE	R		100,000	100,000	100,000	
PW	REPLACE SANDING TRUCK 195	E	450,000				sell current for \$30,000/lease
PW	REPLACE RESERVE FOR WHEEL LOADER	E		39,000			replace reserve from 2023 purchase
PW	PICK UP TRUCK PROGRAM	V 335,476					101F, 101G, 226E, 227C,239D (\$316,573 exp sale)
PW	ENTERPRISE 3500 TRUCK PROGRAM	V 251,943					105A,100C, 107B (\$238,653 exp sale)
PW	WATER PUMP	E -					renting
PW	NEW SANDER FOR UNIT 435	E 13,992					
PW	REPLACE STREETSWEEPER 114	E					rent instead of replace
PW	REPLACE ROCK TRUCK 608	E		520,000			sell for \$150,000
PW	REPLACE EXCAVATOR 627	E	380,000				sell for \$80,000
PW	REPLACE KENWORTH T800 197	V	208,000				sell for \$40,000
PW	REPLACE SERVICE TRUCK 110	V		91,800			sell for \$5,000
PW	REPLACE PRESSURE WASHER 164	E	16,000				sell for \$1,000
PW	REPLACE KENWORTH T800 155	V		180,200			sell for \$10,000
PW	REPLACE RAM 5500 122	V		67,500			sell for \$1,000
PW	REPLACE RAM 5500 119	V			69,000		sell for \$5,000
PW	REPLACE FORKLIFT 623	E			11,000		sell for \$500
PW	GRAVEL SALES TO RESERVE	R 27,000	27,000	27,000	27,000		transf royalty fr gravel sale to grav reserve
	DEPARTMENT TOTAL	1,787,411	2,203,000	1,790,194	986,988	895,588	fund capital from reserve
E & P	FROM PREV YEARS :MONS LAKE BEACH/EROSION		20,000				reserve
E & P	FROM PREV YEARS: EMERGENCY BOAT LAU	V	58,000				reserve
E & P	SPEDDEN DISTRIBUTION PUMP	E 6,000					
E & P	SPEDDEN LANDFILL MONITORING WELLS	E 9,000					
E & P	SL LANDFILL MONITORING WELLS	E 5,000					
E & P	LAKE BOAT LAUNCH REHAB	E 8,000					
E & P	MONS LAKE CAMP KITCHEN	B -					Requested by Mons Lake Assoc removed
E & P	MOWER X 2	E 32,000					
E & P	WARSPITE PLAYGROUND SURFACE	E -					removed
E & P	MOTION 840-22 REPLACE 239A	V					sell for \$50,000
E & P	Motion 491-24 Water Storage	E 28,000					
E & P	RESERVE FOR SEWER			5,000	5,000	5,000	
E & P	RESERVE FOR SIGN REPLACEMENT			50,000	50,000		
E & P	GARBAGE TRUCK RESERVE			50,000	50,000	50,000	
	DEPARTMENT TOTAL	88,000	78,000	105,000	105,000	55,000	
PLN	HISTORIC DESIGNATION PLAQUE	L 10,000	10,000	10,000	10,000	10,000	
	DEPARTMENT TOTAL	10,000	10,000	10,000	10,000	10,000	
AG	REPLACE FLEX ARM & MOWER 473/474	E 92,000					sell old for 30,000 and fund 50,000 from reserve
AG	RESERVE FOR EQUIPMENT			60,000	60,000	60,000	
AG	UTILITY SNOWMOBILE	E					
AG	REPLACE TRACTOR	E		195,000	200,000		
	DEPARTMENT TOTAL	92,000	-	255,000	260,000	60,000	
	MUNICIPAL TOTAL	2,928,846	3,154,000	2,699,194	2,187,472	1,270,588	
GAS	Infrastructure Line Replacement	R 50,000	50,000	50,000	50,000	50,000	
GAS	METER READING EQUIPMENT	E 36,000					
GAS	POLESHED FROM PREV YEARS			60,000			postponed to be reevaluated
GAS	RMO REPLACEMENT	B 140,000					carry from 2023 POSSIBLE GRANT UP TO \$35,000
GAS	RMO MODEM REPLACEMENT	E 16,000	16,000				
GAS	REFURBISH TRUCK BOX (UNIT 202)	V 7,000					
GAS	GPS Unit to Track lines	E 8,000					current unit no longer works
GAS	TRUCK REPLACEMENT - ENTERPRISE	V 60,000					
	DEPARTMENT TOTAL	317,000	66,000	110,000	50,000	50,000	
	CAPITAL TOTAL	3,245,846	3,220,000	2,809,194	2,237,472	1,320,588	
	BRIDGE TOTAL	4,167,529	5,502,133	1,538,253	1,666,000	428,000	
	ROAD TOTAL	1,843,946	2,185,794	2,105,669	1,774,529	1,774,529	
	GRAND TOTAL (MUNICIPAL AND NATURAL GAS)	9,257,321	10,907,927	6,453,116	5,678,001	3,523,117	

**Smoky Lake County
2024 Capital Budget**

Dept	Item #	EXPENSE	FUNDING				Notes	
			BUDGET	GRANT	RESERVE	SALE		OPERATION
ADM	AGGREGATE LICENSE REV TO RESERVE	R	200,000	-	-	-	200,000	from aggregate license
	LAND SALES		701,000	-	-	701,000	-	
ADM	ADMIN BUILDING RESERVE	R	-	-	-	-	-	
ADM	Admin Total		901,000	-	-	701,000	200,000	
Bylaw	LIDAR GUN	E	7,000	-	-	-	7,000	
Bylaw	Bylaw Total		7,000	-	-	-	7,000	
FIRE	FIRE BUILDING RESERVE	R	3	-	-	-	-	
FIRE	FIRE EQUIPMENT RESERVE	R	4	-	-	-	-	
FIRE	FIRE APPARATUS RESERVE	R	5	-	-	-	-	
FIRE	MSA 6000 PLUS TIC WITH TRUCK MOUNT	E	6	14,435	8,661	5,774	-	Town to pay 40% Insurance to cover 10,500
FIRE	AFRRCS RADIO REPLACEMENT	E	7	18,500	8,000	10,500	-	Town to pay 40%
FIRE	NEW AFRRCS RADIOS	E	8	10,500	6,300	4,200	-	
FIRE	Fire Total		43,435	-	22,961	20,474	-	
PW	GRADER RESERVE	R	9	500,000	-	-	500,000	order in 2025 carried over from prev year
PW	2022 GRADER ORDERED	E	0	659,000	659,000	-	-	replace in 2026 Pay back for 2023 purchase
PW	REPLACE SANDING TRUCK 195 RESERVE	R	10	-	-	-	-	
PW	REPLACE RESERVE FOR WHEEL LOADER	E	-	-	-	-	-	
PW	PICK UP TRUCK PROGRAM	V	12	335,476	-	316,573	18,903	
PW	ENTERPRISE 3500 TRUCK PROGRAM	V	13	251,943	-	238,653	13,290	
PW	NEW SANDER FOR UNIT 435	E	14	13,992	-	-	13,992	
PW	GRAVEL SALES TO RESERVE	R	-	27,000	-	-	27,000	
PW	PUBLIC WORKS DEPARTMENT TOTAL		1,787,411	-	659,000	555,226	573,185	
E & P	SPEDDEN DISTRIBUTION PUMP	E	16	6,000	-	-	6,000	
E & P	SPEDDEN LANDFILL MONITORING WELLS	E	17	9,000	-	-	9,000	
E & P	SL LANDFILL MONITORING WELLS	E	18	5,000	-	-	5,000	
E & P	LAKE BOAT LAUNCH REHAB	E	19	8,000	-	-	8,000	
E & P	MOWER X 2	E	21	32,000	-	-	32,000	
E & P	Motion 491-24 Water Storage	E	21	28,000	-	-	28,000	
E & P	RESERVE FOR SEWER	O	0	-	-	-	-	
E & P	RESERVE FOR SIGN REPLACEMENT	O	0	-	-	-	-	
E & P	GARBAGE TRUCK RESERVE	O	0	-	-	-	-	
E & P	ENV & PARKS DEPARTMENT TOTAL		88,000	-	-	-	88,000	
PLN	HISTORIC DESIGNATION PLAQUE	L	23	10,000	-	-	10,000	
PLN	PLANNING TOTAL		10,000	-	-	-	10,000	
AG	REPLACE FLEX ARM & MOWER 473/474	E	24	92,000	50,000	30,000	12,000	sell old for 30,000 / 50,000 from reserve
AG	RESERVE FOR EQUIPMENT	O	25	-	-	-	-	
PW	AGRICULTURE DEPARTMENT TOTAL		92,000	-	50,000	30,000	12,000	
MUNICIPAL TOTAL			2,928,846	-	731,961	1,306,700	890,185	
GAS	Infrastructure Line Replacement	R	26	50,000	-	-	50,000	
GAS	METER READING EQUIPMENT	E	26	36,000	36,000	-	0	
GAS	RMO REPLACEMENT	B	27	140,000	140,000	-	-	
GAS	RMO MODEM REPLACEMENT	E	28	16,000	16,000	-	-	
GAS	TRUCK			60,000	60,000	-	-	
GAS	GPS Unit to Track lines	E		8,000	8,000	-	-	
GAS	REFURBISH TRUCK BOX (UNIT 202)	V	29	7,000	7,000	-	-	
NATURAL GAS TOTAL			317,000	-	267,000	-	-	
ORGANIZATIONAL TOTAL CAPITAL PURCHASES			3,245,846	-	998,961	1,306,700	890,185	
BRIDGE REPAIR REHAB TOTAL			4,167,529	3,189,411	508,756	-	469,362	use AT and CCBF grants
ROAD PLAN TOTAL			1,843,946	885,000	191,000	-	767,946	
CAPITAL PROJECT TOTAL			9,257,321	4,074,411	1,698,717	1,306,700	2,127,493	



Request for Decision (RFD)

Meeting Date: Wednesday, April 24, 2024

Agenda Item: # 5.2

Topic: Smoky Lake County 2024 Total Budget

Presented By: Brenda Adamson, Finance Manger

Recommendation:

That Smoky Lake County Council approve the balanced Year-2024 Municipal Total Function Budget, with a total Revenue in the amount of \$24,120,286 and total expenditures in the amount of \$26,164,586, not including amortization in the amount of \$2,044,300

Background:

Attached is the proposed 2024 final budget.

There are some minor changes from the budget proposed April 5 because of some assessment changes that have been processed. The budget includes the purchase of a water tank recently approved by Council. These changes leave an overall small contingency of \$13,749.

Benefits:

- Services are budgeted to remain the same as 2023
- Smoky Lake County meets the requirements stated in the MGA
- Council can proceed with the Tax Rate Bylaw to raise funds to meet budget requirements

Disadvantages:

- The budget reflects only estimates.

Alternatives:

- Council can add, delete, or change.

Financial Implications:

The 2024 Municipal Operating

- ✓ Revenues and transfers budgeted are: \$24,120,286.
- ✓ Expenses and requisitions budgeted including amortization are: \$26,164,586
- ✓ The amortization budgeted is \$2,044,300
- ✓ Contingency is only \$13,749.

Legislation:

Adoption of operating budget

242(1) Each council must adopt an operating budget for each calendar year by January 1 of that calendar year.

(2) A council may adopt an interim operating budget for part of a calendar year.

(3) An interim operating budget for a part of a calendar year ceases to have any effect when the operating budget for that calendar year is adopted.

Contents of operating budget

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(3) The estimated revenue and transfers under subsection (2) must be at least sufficient to pay the estimated expenditures and transfers under subsection (1).



Request for Decision (RFD)

(3.1) For the purposes of subsection (3), the estimated expenditures referred to in that subsection do not include any amortization of tangible capital assets unless the amortization is an amount required to provide for amortization of the tangible capital assets of a municipality's municipal public utilities as defined in section 28.

Intergovernmental:

na

Strategic Alignment:

na

Enclosure(s):

1. *2024 Operating and Total Budget*

Signature of the CAO: _____

SMOKY LAKE COUNTY
Municipal
Budget to Actual Report

	BUDGET 2023	BUDGET 2024	Chg %	Note #
OPERATING REVENUE				
Taxes				
Farmland & Residential	\$4,112,277	\$4,300,093	4.57%	
Machinery & Equipment	1,380,287	1,357,698	(1.64%)	
Non - Residential	1,304,804	1,318,187	1.03% ¹⁾	
Linear	5,998,187	6,435,843	7.30%	
Provincial Government	68,756	72,831	5.93%	
Sewer Levy	9,040	9,040	0.00%	
Other Income				
Well Drilling/Drill Rigs	5,500	5,500	0.00%	
Penalties	85,300	85,200	(0.12%)	
User Fees and Sales of Goods	595,709	641,450	7.68% ²⁾	
Investment Income	350,000	693,998	98.29% ³⁾	
Development Levies	58,500	69,000	17.95%	
Licenses and Permits	224,500	224,000	(0.22%) ⁴⁾	
Sales to Other Governments	342,135	346,635	1.32% ⁵⁾	
Grants				
Provincial Conditional - Operating	707,215	599,753	(15.20%) ⁶⁾	
CLC	113,230	113,230	0.00%	
Transfer from Operating Reserve	913,969	1,035,000	13.24% ⁷⁾	
TOTAL OPERATING REVENUE	16,269,409	17,307,458	6.38%	
OPERATING EXPENSES				
Salaries, Wages, and Benefits				
Salaries & Wages	5,789,298	5,822,998	0.58% ⁸⁾	
Benefits	1,446,817	1,243,984	(14.02%) ⁹⁾	
WCB		85,000	#DIV/0!	
Other Wages	10,000	10,000	0.00% ¹⁰⁾	
Contracted and General Services		0		
Mileage	56,350	45,700	(18.90%)	
Meals and Lodgings	95,360	95,360	0.00%	
Membership & Conference Fees	59,015	60,435	2.41% ¹¹⁾	
Freight, Express, Postage	44,450	42,250	(4.95%)	
Telephone & Communication	99,410	98,150	(1.27%)	
Training	126,000	112,700	(10.56%)	
Advertising, Printing, Subscriptions	70,050	60,550	(13.56%) ¹²⁾	
Accounting & Auditing	42,000	34,000	(19.05%)	
Legal Fees	42,500	40,000	(5.88%) ¹³⁾	
Assessor Fees	142,800	146,000	2.24%	
Engineering Fees	173,520	133,670	(22.97%)	
Other Consulting	62,350	62,700	0.56% ¹⁴⁾	
Computer Programing	148,750	187,417	25.99% ¹⁵⁾	
Insurance	281,362	271,261	(3.59%) ¹⁶⁾	
Other Services	1,757,317	1,648,358	(6.20%) ¹⁷⁾	
Materials, Goods, and Utilities		0		
Office/Food/Janitorial Supplies	104,237	95,330	(8.54%) ¹⁸⁾	
Fuel/Parts/ Etc	2,175,190	1,547,100	(28.88%) ¹⁹⁾	

	BUDGET 2023	BUDGET 2024	Chg %	Note #
Offset to Road Plan	-2,196,808	-1,278,946	(41.78%)	19) a
Gravel	0	490,000	#DIV/0!	20)
Chemicals	50,000	40,000	(20.00%)	21)
Computer Supplies	61,600	69,149	12.25%	
Utilities	209,079	213,799	2.26%	22)
Employee Recognition	26,000	40,000	53.85%	23)
Other General Supplies	458,800	477,500	4.08%	24)
Transfers to Local Boards & Agencie	784,865	678,794	(13.51%)	25)
Write Offs	3,000	0	(100.00%)	
Bank Charges & Interest	6,000	9,100	51.67%	
Requisitions	2,574,024	2,583,857	0.38%	
Contingency	174,526	13,749	(92.12%)	26)
Amortization	2,020,300	2,044,300	1.19%	
	<u>16,898,162</u>	<u>17,224,265</u>	<u>1.93%</u>	
Total Operations	-628,753	83,193	(113.23%)	
Capital Funding				
Sale of Capital Assets	543,800	1,306,700	140.29%	27)
Provincial Capital Grants	3,303,489	4,074,411	23.34%	28) LGFF increase, increase BCCF funding
Transfer from Reserve	1,903,159	1,431,717	(24.77%)	29)
Capital Funding	5,750,448	6,812,828	18.47%	
Capital Expenses				
Buildings & Land		0	#DIV/0!	
Transfer to Reserve	1,014,000	1,428,000	40.83%	30)
Engineering Structure - Road	2,421,877	1,843,946	(23.86%)	
Engineering Structure - Bridge	1,659,659	4,167,529	151.11%	
Land Improvements	93,000	32,000	(65.59%)	
Equipment	1,443,155	874,427	(39.41%)	Increased mower and grader budget
Vehicles	510,304	594,419	16.48%	
	<u>7,141,995</u>	<u>8,940,321</u>	<u>25.18%</u>	31)
Total Capital	-1,391,547	-2,127,493	52.89%	
Net Profit/Loss	-2,020,300	-2,044,300	1.19%	
Remove Amortization	2,020,300	2,044,300	1.19%	
Adjusted Surplus (Deficit)	0	-0	#DIV/0!	

Smoky Lake County
Notes to the 2024 Budget

1) Taxes

The overall assessment increased by 5.8%

Total Taxes (including requisitions)	13,484,652
Total Actual Taxes billed in 2023	12,948,995
<i>Increase in municipal and requisition tax revenue</i>	535,657

2) User Fees and Sales of Goods

User Fees and sales includes all fees charged (fire fighting, mva, water sold, snow flags, dust control, sand and gravel, rentals, etc.

3) Investment Income

revenue this year with an expected slight decline for the end of next year. Thus far this year we are earning an average of aprox 5.5% interest

4) License and Permits

License and permits include the aggregate levy license. Annually we estimate a minimum of \$200,000 which is transferred to reserves for future haul road projects. The transfer to reserve is included in the capital projects

5) Sales to Other Governments

Sales to Other Governments includes, revenue for responding to MVAs and reimbursements from other municipalities from shared projects.

6) Provincial Conditional - Operating

	2023	2024
Agriculture Services	\$ 138,907	\$ 166,247
Family and Community Social Services	\$ 93,308	\$ 97,506
Municipal Sustainability Operating	\$ 95,000	\$ 215,000
Municipal Operational Support	\$ -	\$ -
Summer Employment Grants	\$ 15,000	\$ 15,000
Fire Camp (FCSS)	\$ 10,000	\$ 6,000
Firesmart grant	\$ 40,000	\$ -
Remainder of ACP grant for Fire Study	\$ -	\$ -
ACP Grant for Planning	\$ 200,000	\$ 100,000
Community Adult Learning	\$ 113,230	\$ 113,230
	\$ 705,445	\$ 712,983

7) Transfer from Operating Reserves

\$675,000 surplus from 2023 has been carried forward to 2024

**Smoky Lake County
Notes to the 2024 Budget**

8) Salaries and Wages

The budgeted Cost of Living increase for 2024 is:

IOE 955	0 (as per the 2021-2022 contract)
CUPE/Non Union staff and managers	\$0.75 per hour
Council	0% as per Council motion

The budget includes incremental increases where applicable.

Staffing Highlights:

Public Works

2 Summer Student positions have been added

ASB

The budget for mowers remains at 27 weeks.

Administration

A Clerk position has been temporarily decreased to 2 days per week to reflect changes resulting from a maternity leave

Parks and Rec

2 additional Summer Student positions have been added

9) Benefits

2023 benefits reflect inflation increases and increases associated with salary increases

LAPP contribution rates decrease by approx. 1%

10) Other Wages

\$10,000 budgeted is for the per diem wages paid to public members on Smoky Lake County Boards

11) Mileage, Meals and Lodging, Membership Fees, Freight, Express, Postage, Telephone, Training

The departments have cut the amount of conferences and training commitments to offset the cost of inflation in these areas. The proposed budget for Planning to attend FCM has been removed.

12) Advertising, Printing, Subscriptions

Advertising costs have decreased because there is only one paper to produce the monthly Grapevine. Printing and subscriptions have increased to reflect inflation.

13) Auditing/ Legal/Assessor/Engineering Fees

Legal fees have been decreased. Engineering fees include engineering needed for gravel and bridge inspections.

14) Other Consulting

Other Consulting includes \$55,000 contribution to LARA. No consulting funds have been budgeted to advance the Strategic Plan.

15) Computer - Software and hardware

This includes all the computer licensing, purchases, toner and office equipment repairs and maintenance. Additional funds have been budgeted to make the changes to our system as per cyber security requirements.

16) Insurance

Insurance is kept similar to 2023

**Smoky Lake County
Notes to the 2024 Budget**

17) Other Services

Misc. Services includes Equipment/Building Rentals, All outsourced repairs and maintenance (equipment/building/vehicle), license and permits, and contractor work.

It also includes the policing levy which will increase by 50%

2022	\$127,404		
2023	\$191,242	2024	\$286,863

18) Office/Food/Janitor Supplies

no major changes

19) Fuel/Parts/Etc.

Parts will increase as repairs on older vehicles and equipment increase.

Fuel has been increased to reflect the substantial price increase seen in 2023

Equipment Costs have been reallocated to the Capital Road budget

19)a Offset to Road Plan

Equipment, Fuel, and equipment repairs relate directly to the road projects budgeted for under capital. To account for these costs properly, we remove them from the operating budget and include them in the Capital Road Plan. This amount varies substantially from year to year depending on the amount and type of road projects that are being planned. For example, if the road plan is for mostly road rehabilitation, more of our equipment costs will need to be allocated to Capital. If the road plan consists of construction or paving that we will contract out, it will require less of our resources, leaving them available for more regular maintenance (operation) activities.

20) Gravel

Gravel Crushing is expected for 2024

21) Chemicals

There is an abundance of left over chemical inventory in 2023 therefore less will need to be purchased in 2024

22) Utilities

Utilities have increased due to inflation

23) Employee Recognition

The budget for County employee recognition includes recognition for Fire Department Volunteers, staff teambuilding events, and long term service awards. Increases are for service awards and retirements

24) Other General Supplies

Other General Supplies includes the purchase of water, supplies for the fire departments, calcium, cold mix, and dust control along with small misc. supplies required. Increases are a result of increased cost of the road products needed for road maintenance, dust control, etc.

Smoky Lake County Notes to the 2024 Budget

25) Transfers to local boards and agencies

These are annual contributions for grants to organizations, fire protections costs paid to the fire departments, Community Learning Council, Aspenview Family School Liaison, Agricultural Societies, and the annual cost to Evergreen Waste Commission

Projects:

Heritage Board annual contribution \$13,000

The budget for grants to individuals and organizations increased from \$29,000 to \$31,000 to allow for funding to cemeteries and halls

\$360,000 to Aspen View to have the day care added to the new school

The budget for grants to the three Agricultural Societies remains at \$95,000

26) Contingency

The proposed budget for contingency is \$13,749

27) Sale of Capital Assets

	2023	2024	
Unit 195	\$30,000		
pickup trucks	\$313,800	\$ 555,226	
Town portion of fire assets		\$ 9,974	
Mower		\$ 30,000	
Land Sales		\$ 701,000	
Insurance for radios		\$ 10,500	
	\$343,800	\$ 1,306,700	

28) Provincial Capital Grants

	2023	2024	
MSI Capital	\$ 749,250	\$ 885,000	
STIP Bridge Program	\$ 649,915	\$ 2,644,150	
Federal Gas Tax Grant	\$ 578,324	\$ 545,261	** using previous years unspent
Community Initiatives			
	\$ 1,977,489	\$ 4,074,411	

29) Transfers from Capital Reserves

	2023	2024	
Previous years projects	\$ -		
Aggregate Levy - Road Repair	\$ 517,500	\$ 191,000	
Road projects	\$ 161,000	\$ -	
Fire assets		\$ 22,961	
2022 grader ordered		\$ 659,000	
Aggregate Levy - Bridge Repair	\$ -	\$ 508,756	
Ag mower	\$ -	\$ 50,000	
To fund capital budget	\$ 813,259		
	\$ 1,491,759	\$ 1,431,717	

Smoky Lake County
Notes to the 2024 Budget

30) Transfers to Reserves

	2023	2024
5 Year Capital Plan	\$ 1,014,000	
Future Grader Purchase		\$ 500,000
Expected Aggregate Levy		\$ 200,000
Gravel Pit Reclamation & Dev		\$ 27,000
Future Land Purchase	\$ -	\$ 701,000
	<u>\$ 1,014,000</u>	<u>\$ 1,428,000</u>

31) Capital and Road Plan

The capital and road plan budgets are provided in detail through Requests for Decisions



Request for Decision (RFD)

Meeting Date: Wednesday, April 24, 2024

Agenda Item: # 5.3

Topic: Bylaw 1461-24 2024 Tax Rate Bylaw

Presented By: Brenda Adamson, Finance Manager

Recommendation:

That Smoky Lake County give **First, Second, and Permission for Third Reading** to Bylaw No.: 14461-24 Tax Rate Bylaw.

Background:

On April 5, 2024 the budget was discussed and amended. It will be presented April 24 for final approval. The overall assessment increased providing enough tax revenue to leave the rate the same as 2023.

The proposed municipal rates are:

- Residential 5.7753
- Farmland 13.2753
- Small Business 21.9292
- Non Residential 22.1452
- A minimum Tax amount of \$100.00

The requisition rates have decreased. The total tax rates including requisitions will be::

- Residential 8.7437 (.1583 decrease)
- Farmland 16.2437 (.1583 decrease)
- Designated Industrial Farmland 16.3202 (.1561 decrease)
- Small Business 26.1092 (.2445 decrease)
- Non Residential 26.3252 (.2445 decrease)
- Designated Industrial Non Residential 26.4017 (.2426 decrease)
- Machinery and Equipment 22.8225 (.0107 decrease)

Based on the average assessment per parcel, this is how the major classes will be affected.

Class	Farm	Res	Small Bus	Non Res	M & E
Rate	16.2437	8.7437	26.1092	26.3252	22.8225
Parcels	4,276	2,212	40	436	116
Assessment	\$13,278	\$171,025	\$146,102	\$101,460	\$406,205
Avg Tax per parcel	\$215.69	\$1,495.39	\$3,814.61	\$2,670.95	\$9,270.62
Avg increase	\$(2.37)	\$41.35	(\$8,155.67)	\$755.42	\$819.49
Avg % Change	-1%	3%	(68%)	39%	10%



Request for Decision (RFD)

Benefits:

- The County will levy taxes, meet the MGA requirements, and raise revenue to continue to operate.
- All Classes will see an overall decrease in the rate to help offset the assessment increase.
- The Residential properties have seen a significant increase in equity. This is the cause of any increase in taxes.

Disadvantages:

- The change in assessments affects every parcel differently. Although we have calculated the averages, some properties will see larger or smaller increases.

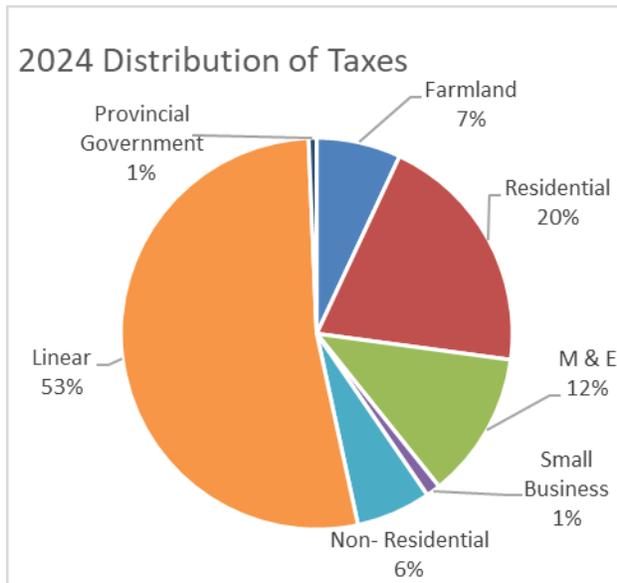
Alternatives:

- Change the rates.
- Pass all three readings today.
- Pass first and second readings today and then third reading at the County Council Meeting April 25, 2024

Financial Implications:

The 2023 budget requires **\$10,830,795** in tax revenue. With the rates proposed

- Residential taxes will contribute **\$2,184,836** (20%) of the total tax revenue.
- Farmland taxes will contribute **\$753,750** (7%) of the total tax revenue.





Request for Decision (RFD)

Legislation:

Property tax bylaw

353(1) *Each council must pass a property tax bylaw annually. (2) The property tax bylaw authorizes the council to impose a tax in respect of property in the municipality to raise revenue to be used toward the payment of (a) the expenditures and transfers set out in the budget of the municipality, and (b) the requisitions.*

(3) The tax must not be imposed in respect of property (a) that is exempt under section 351, 361 or 362, or (b) that is exempt under section 363 or 364, unless the bylaw passed under that section makes the property taxable

Tax rates

354(1) *The property tax bylaw must set and show separately all of the tax rates that must be imposed under this Division to raise the revenue required under section 353(2). (2) A tax rate must be set for each assessment class or sub-class referred to in section 297. (3) The tax rate may be different for each assessment class or sub-class referred to in section 297. (3.1) Despite subsection (3), the tax rate for the class referred to in section 297(1)(d) and the tax rate for the sub-classes referred to in section 297(2.1) must be set in accordance with the regulations.*

(4) The tax rates set by the property tax bylaw must not be amended after the municipality sends the tax notices to the taxpayers unless subsection (5) applies.

Calculating tax rates

355 *A tax rate is calculated by dividing the amount of revenue required by the total assessment of all property on which that tax rate is to be imposed.*

Calculating amount of tax

356 *The amount of tax to be imposed under this Division in respect of a property is calculated by multiplying the assessment for the property by the tax rate to be imposed on that property.*

Special provision of property tax bylaw

357(1) *Despite anything in this Division, the property tax bylaw may specify a minimum amount payable as property tax. (2) If the property tax bylaw specifies a minimum amount payable as property tax, the tax notice must indicate the tax rates set by the property tax bylaw that raise the revenue required to pay the requisition referred to in section 326(1)(a)(ii).*

Intergovernmental:

n/a

Strategic Alignment:

n/a

Enclosure(s):

1. Tax Rate Presentation
2. Bylaw 1461-24
3. Confidential examples of specific properties to be distributed at the meeting

Signature of the CAO: _____



SMOKY LAKE COUNTY.

2024 Tax Rate



A vertical decorative bar on the left side of the slide, featuring a golden-yellow background with various financial symbols and numbers in a 3D, embossed style. Visible symbols include the dollar sign (\$), the pound sign (£), the yen sign (¥), and the number 100.

2024 Tax Rate

- Review the assessment
- Review 2023 Municipal Tax Rate comparison
- 2024 Budget
- 2024 Requisitions
- Proposed tax rates

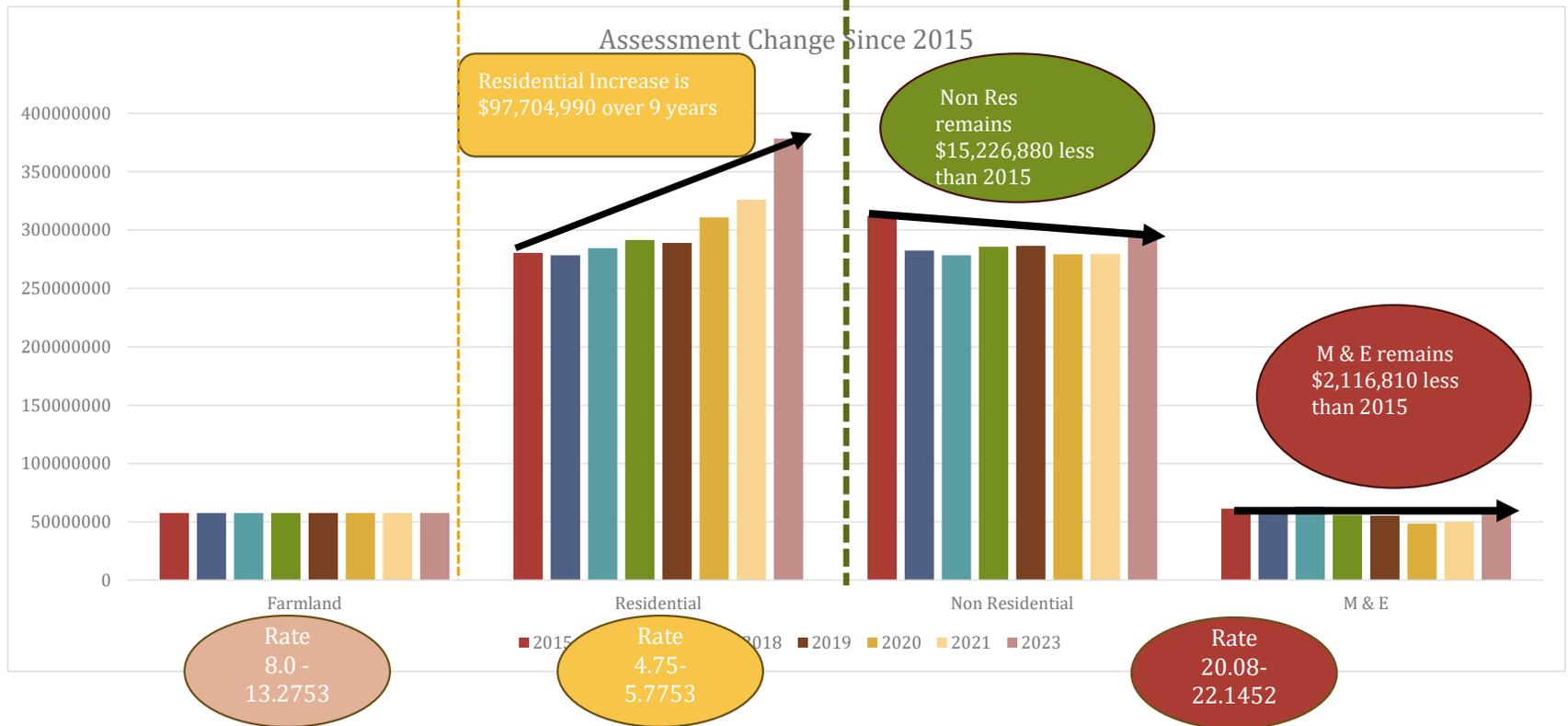
Assessment

The Overall Assessment is up by \$43,403,180 (5.8%)

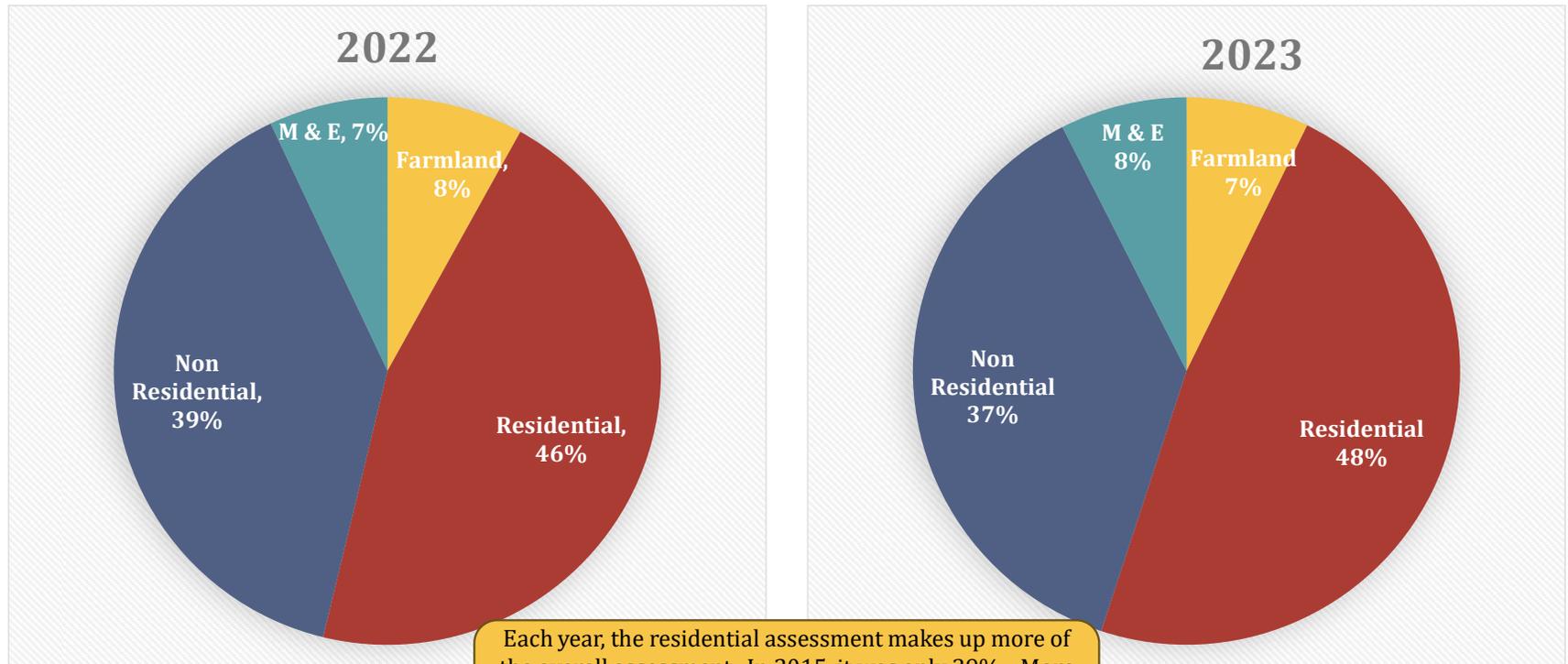
	2022 Assessment	2023 Assessment	Increase (Decrease)
Res/Farmland			
Residential	351,993,330	378,306,870	26,313,540
gil no requisitions	831,070	831,070	0
Farmland	56,809,610	56,778,410	(31,200)
Total Res/Farmland	409,634,010	435,916,350	26,282,340
Non Res			
Commercial	31,517,330	44,236,510	12,719,180
Small Business	18,168,650	5,844,080	(12,324,570)
gil no requisitions	2,747,220	2,790,560	43,340
Linear	230,500,520	243,766,240	13,265,720
Total Non Res	282,933,720	296,637,390	13,703,670
M and E	55,888,830	59,306,000	3,417,170
TOTAL ASSESSMENT	748,456,560	791,859,740	43,403,180



Assessment Changes

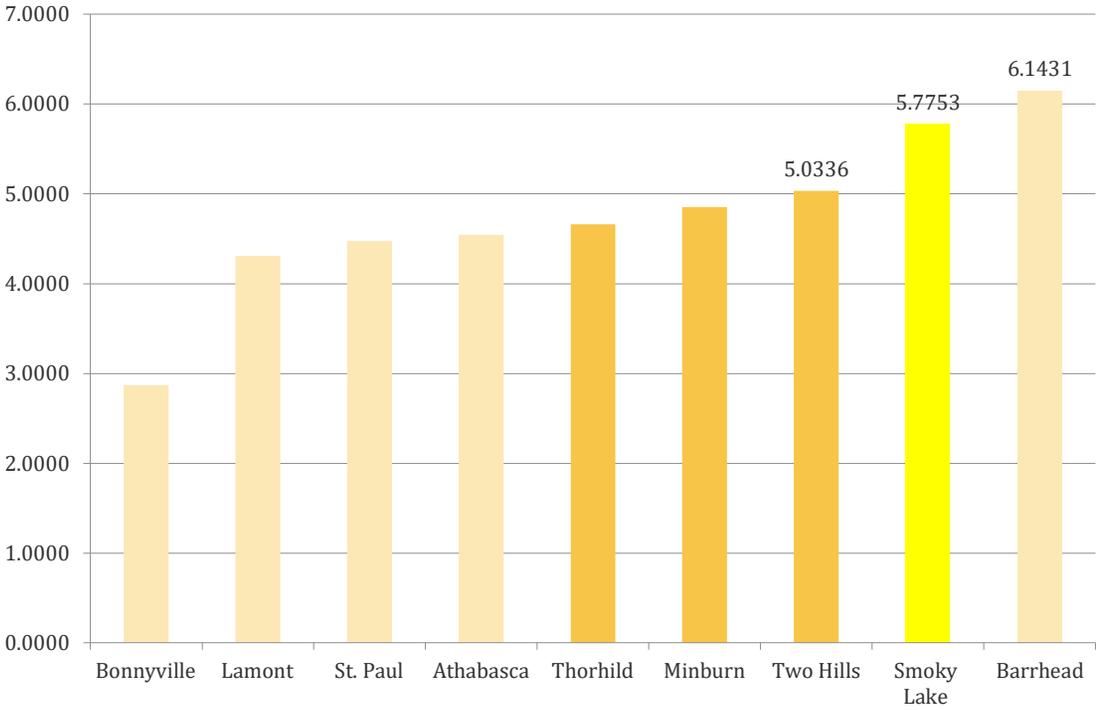
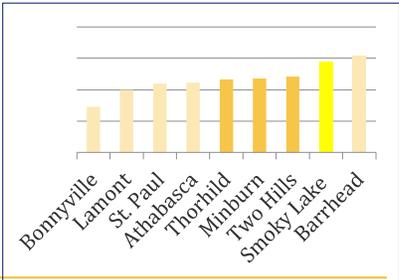


Because of the decrease in non residential/linear, the ratios have changed a bit this year



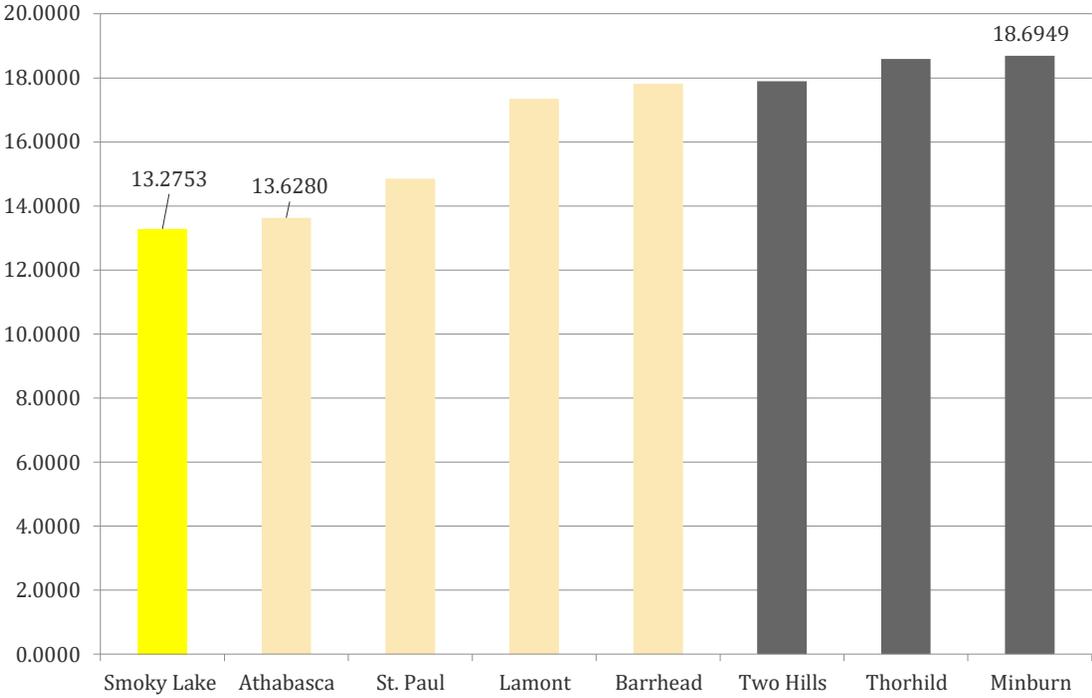
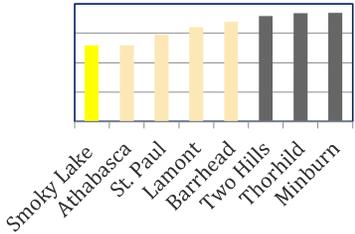
Each year, the residential assessment makes up more of the overall assessment. In 2015, it was only 39%. More nonresidential assessment is needed to reduce the tax pressure on our residents.

2023 Residential Tax Rates





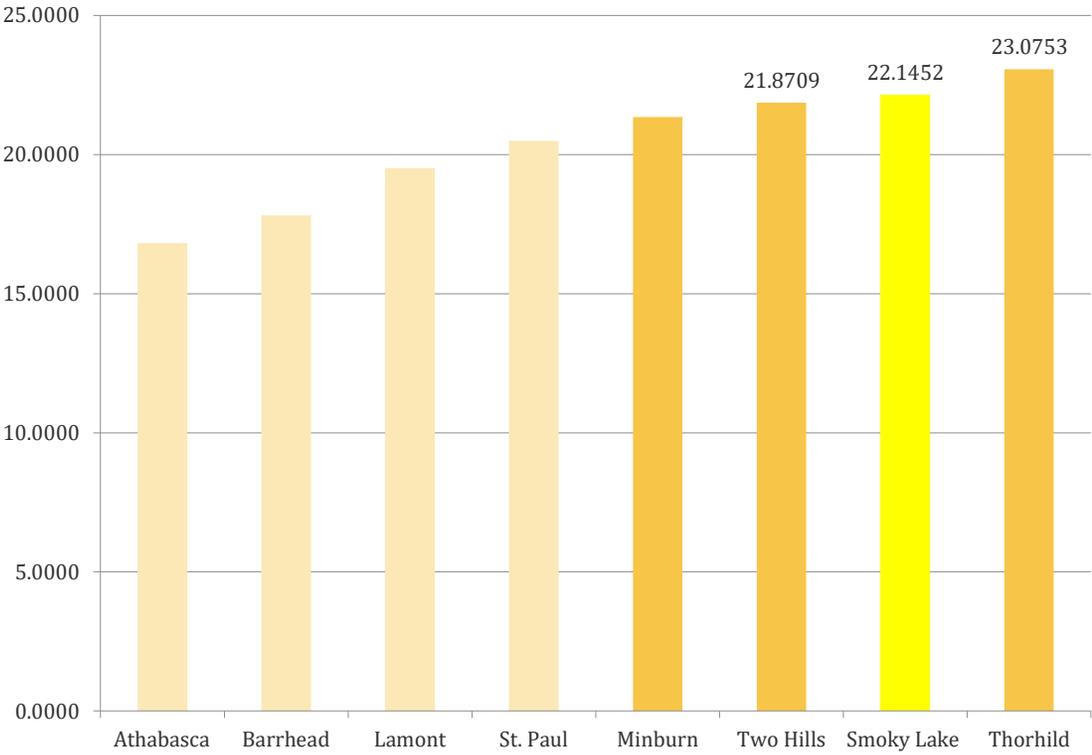
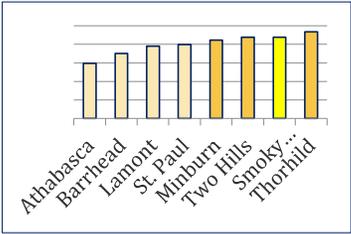
2024 Farmland Tax Rates



In 2023 we increased the farmland rate from 12.8753 to 13.2753. Smoky Lake County has the **lowest farm property taxes in the region**



Non Residential Tax Rates



Smoky Lake County has a separate small business tax rate. It is slightly lower at 21.929

2024 Budget

Using the updated assessment and the same tax rates as 2023, we can achieve a balanced budget with a very small contingency

OPERATING REVENUE	
Taxes	\$13,493,692
Other Income	1719148
Sales to Other Governments	346,635
Grants	712,983
Transfer from Operating Reserve	1,035,000
TOTAL OPERATING REVENUE	17,307,458
OPERATING EXPENSES	
Salaries, Wages, and Benefits	7,161,982
Contracted and General Services	3,038,551
Materials, Goods, and Utilities	1,693,932
Transfers to Local Boards & Agencies	678,794
Write Offs	0
Bank Charges & Interest	9,100
Requisitions	2,583,857
Contingency	13,749
Amortization	2,044,300
	17,224,265
Net Operations	83,193
Capital Funding	
Sale of Capital Assets	1,306,700
Provincial Capital Grants	4,074,411
Transfer from Reserve	1,431,717
Capital Funding	6,812,828
Capital Expenses	
Buildings & Land	0
Transfer to Reserve	1,428,000
Engineering Structure - Road	1,843,946
Engineering Structure - Bridge	4,167,529
Land Improvements	32,000
Equipment	874,427
Vehicles	594,419
	8,940,321
Total Capital	-2,127,493
Net Profit/Loss	-2,044,300
Remove Amortization	2,044,300
Adjusted Surplus (Deficit)	-0

Including

- the transfer of \$675,000 from the 2023 surplus

2024 Requisitions

	2023	2024
Education - Res and Farmland	2.4387	2.2911
Education - Non Res	3.7365	3.5027
Foundation	0.6880	0.6773
DIP	0.0746	0.0765

Although we cannot establish a separate rate for policing, it is important to note how much the increase affects taxes.

In 2024 the portion of the Municipal Rate arising from Policing Charges is equal to

.322

2023 - .2575

2022 - .1583

Education Requisition

- The Education Requisition remains the same as 2023.
- The rate will decrease in 2024 as a result of the increased assessment.
- Res & Farmland decrease = .1476
- Non Res decrease = .2338

Foundation

- The Foundation Requisition increased by \$22,932
- The Assessment increase more than covers this therefore the rate will decrease in 2024 by 0.0107

Designated Industrial Property

- The DIP requisition is set by the Provincial government to cover their costs to prepare the assessment for the industrial properties
- It will increase by 0.0019

2024 Tax Rates

MILL RATES	RESIDENTIAL		FARMLAND		NON RESIDENTIAL		NON RESIDENTIAL SMALL BUSINESS		MACHINERY AND EQUIPMENT	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
MUNICIPAL	5.7753	5.7753	13.2753	13.2753	22.1452	22.1452	21.9292	21.9292	22.1452	22.1452
EDUCATION	2.2911	2.4387	2.2911	2.4387	3.5027	3.7365	3.5027	3.7365		
SENIORS FOUNDATION	0.6773	0.688	0.6773	0.688	0.6773	0.688	0.6773	0.688	0.6773	0.688
Total Rates	8.7437	8.902	16.2437	16.402	26.325	26.57	26.109	26.354	22.8225	22.833
INCREASE		-0.1583		-0.1583		-0.2445		-0.2445		-0.0107

Tax Rates

The proposed tax rates will remain the same:

- Farmland 13.2753
 - Residential 5.7753
 - Non Residential 22.1452
 - Small Business 21.9292
 - Machinery & Equipment 22.1452
-

Average Parcel Tax Increase

Farmland \$2.37

Residential \$41.35

Small Business \$8,155.67

Non-Residential \$755.42

M & E \$819.49

Linear \$20,899.47

2024 PARCEL AVERAGE TAX INCREASE (DECREASE)		TOTAL PROPOSED MILL RATE TOTAL
	2023 Total	
TOTAL FARMLAND MILL RATE	16.402	16.2437
Total number of assessed farmland properties	4,273	4,276
Total assessment for farmland parcels	56,809,610	56,778,410
Total average assessment per parcel	13,295	13,278
Average total tax per parcel	\$218.06	\$215.69
Total increase (decrease) / average parcel	-1%	(\$2.37)
TOTAL RESIDENTIAL MILL RATE	8.902	8.7437
Total number of assessed residential parcels	2,155	2,212
Total assessment for residential parcels	351,993,330	378,306,870
Average assessment per parcel	163,338	171,025
Average total tax per parcel	\$1,454.03	\$1,495.39
Total increase (decrease) / average parcel	3%	\$41.35
TOTAL SMALL BUSINESS MILL RATE	26.3537	26.1092
Total number of assessed non-residential parcels	40	40
Total assessment for non-residential parcels	18,168,650	5,844,080
Total average assessment per parcel	454,216	146,102
Average total tax per parcel	\$11,970.28	\$3,814.61
Total increase (decrease) / average parcel	-68%	(\$8,155.67)
TOTAL NON-RESIDENTIAL MILL RATE	26.5697	26.3252
Total number of assessed non-residential parcels	436	436
Total assessment for non-residential parcels	31,433,230	44,236,510
Total average assessment per parcel	72,095	101,460
Average total tax per parcel	\$1,915.53	\$2,670.95
Total increase (decrease) / average parcel	39%	\$755.42
TOTAL MACHINERY & EQUIPMENT MILL RATE	22.8332	22.8225
Total number of assessed M & E parcels	151	146
Total assessment for M & E parcels	55,888,830	59,306,000
Total average assessment per parcel	370,125	406,205
Average total tax per parcel	\$8,451.13	\$9,270.62
Total increase (decrease) / average parcel	10%	\$819.49
TOTAL LINEAR	26.6443	26.3252
Total number of assessed Linear parcels	33	31
Total assessment for Linear parcels	230,500,520	243,766,240
Total average assessment per parcel	6,984,864	7,863,427
Average total tax per parcel	\$186,106.82	\$207,006.29
Total increase (decrease) / average parcel	11%	\$20,899.47



Questions

**SMOKY LAKE COUNTY
IN THE PROVINCE OF ALBERTA
BYLAW NO. 1461-24**

A BYLAW TO AUTHORIZE THE RATES OF TAXATION TO BE LEVIED AGAINST ASSESSABLE PROPERTY WITHIN THE MUNICIPALITY OF SMOKY LAKE COUNTY FOR THE 2024 TAXATION YEAR.

WHEREAS, the Municipality of Smoky Lake County has prepared and adopted detailed estimates of the municipal revenue and expenditures as required, at the council meeting held on **April 24, 2024**; and

WHEREAS, the estimated municipal expenditures and transfers set out in the budget for the Municipality of Smoky Lake County for 2024 total \$26,164,586 and

WHEREAS, the estimated municipal amortization expenditures set out in the budget for the Municipality of Smoky Lake County for 2023 total \$ 2,044,300 and

WHEREAS, the requisitions are:

Alberta School Foundation Fund (ASFF) Estimated	
Residential/Farmland	\$ 950,015
Non-residential including Linear	1,031,893
Roman Catholic Separate School District (RCSSD) Estimated	
Residential/Farmland	\$ 47,635
Non-residential including Linear	<u>9,883</u>
Subtotal School Requisition	\$2,039,426
Designated Industrial Properties (DIP)	\$ 23,909
Senior Foundation	<u>\$ 537,452</u>
TOTAL	\$2,600,787

WHEREAS, the Council of the Smoky Lake County is required each year to levy on the assessed value of all property tax rates sufficient to meet the estimated expenditures and the requisitions; and

WHEREAS, the Council is authorized to classify assessed property, and to establish different rates of taxation in respect to each class of property, subject to the Municipal Government Act, Chapter M-26, Revised Statutes of Alberta, 2000; and

WHEREAS, the assessed value of all property in the Smoky Lake County as shown on the assessment roll is:

	ASSESSMENT
Farmland	\$ 56,764,330
DIP Farmland	14,080
Provincial Grant in Lieu Farmland	831,070
Residential	378,306,870
Non-residential small business	5,844,080

Bylaw 1461-24: 2024 Tax Rate

Non-residential	30,208,780
DIP Non-residential (including linear)	257,793,970
Provincial Grant in Lieu Non Res	2,790,560
DIP Machinery and Equipment	54,732,060
Machinery and Equipment	<u>4,573,940</u>

\$ 791,859,740

WHEREAS, the estimate municipal revenues and transfers from all sources other than taxation is estimated at \$10,705,634 and the balance of \$10,830,795 is to be raised by general municipal taxation; and

NOW THEREFORE under the authority of the Municipal Government Act, the Council of the Municipality of Smoky Lake County, in the Province of Alberta, enacts as follows:

1. That the Chief Administrative Officer is hereby authorized to levy the following rates of taxation on the assessed value of all property as shown on the assessment roll of the Municipality of Smoky Lake County:

	<u>Tax Levy</u>	<u>Assessment</u>	<u>Tax Rate</u>	<u>Mill Rate</u>
GENERAL MUNICIPAL				
Residential	2,184,836	378,306,870	.0057753	5.7753
Farmland	764,784	57,609,480	.0132753	13.2753
Small Business	128,156	5,844,080	.0219292	21.9292
Non-Residential	<u>7,753,019</u>	<u>350,099,310</u>	<u>.0221452</u>	<u>22.1452</u>
Sub Total - General Municipal	10,830,795	791,859,740		

ALBERTA SCHOOL FOUNDATION FUND

ASFF - Residential/Farmland	949,228	*	414,311,098	.0022911	2.2911
Non-residential including Linear	1,019,493	*	291,059,295	.0035027	3.5027

TOTAL ASFF REQUISITION 1,968,721 705,370,393

ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT

RCSSD - Residential/Farmland	47,596	*	20,774,182	.0022911	2.2911
Non-residential including Linear	9,764	*	2,787,535	.0035027	3.5027

TOTAL RCSSD REQUISITION 57,360 23,891,083

TOTAL SENIORS FOUNDATION 533,874 * 788,238,110 .0006773 0.6773

DESIGNATED INDUSTRIAL PROPERTY (DIP)

DIP – Non-residential including Linear	19,735	*	257,973,970	.0000765	0.0765
DIP – Machinery & Equipment	4,187	*	54,732,060	.0000765	0.0765
DIP – Farmland	1	*	14,080	.0000765	0.0765

TOTAL DIP REQUISITION 23,923 312,720,110

Bylaw 1461-24: 2024 Tax Rate

* Amounts may be different than requisitions because of assessment changes and successful appeals in 2023

2. The minimum amount payable per parcel as property tax for general municipal purposes shall be \$100 for every parcel.
3. Requisitions will be added to the Minimum General Municipal tax to equal the total tax invoice.

That this bylaw shall take effect on the date of the third and final reading.

READ A **FIRST TIME** IN COUNCIL THIS 24th day of April, AD **2024**.

READ A **SECOND TIME** IN COUNCIL THIS 24th day of April, AD **2024**.

READ A **THIRD AND FINAL TIME, WITH THE UNANIMOUS CONSENT OF ALL COUNCILLORS PRESENT, THIS** 24th day of April, AD **2024**.

Jared Serben, Reeve

S E A L

Lydia Cielin,
Interim Chief Administrative Officer