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## 2021 FINAL BUDGET

APRIL 13, 2021

# FINAL BUDGET PROCESS

On November 24, 2020, Council approved the 2021 Budget.

Approved carry forwards have been added to the 2021 budget.

Significant adjustments have been identified and added to the 2021 budget.

Wabamun's 2021 budget estimates have been consolidated with Parkland County's 2021 budget.

2021 Final Budget for approval and to set the tax rate.

# CAPITAL AND OPERATING BUDGET

- The Capital Budget

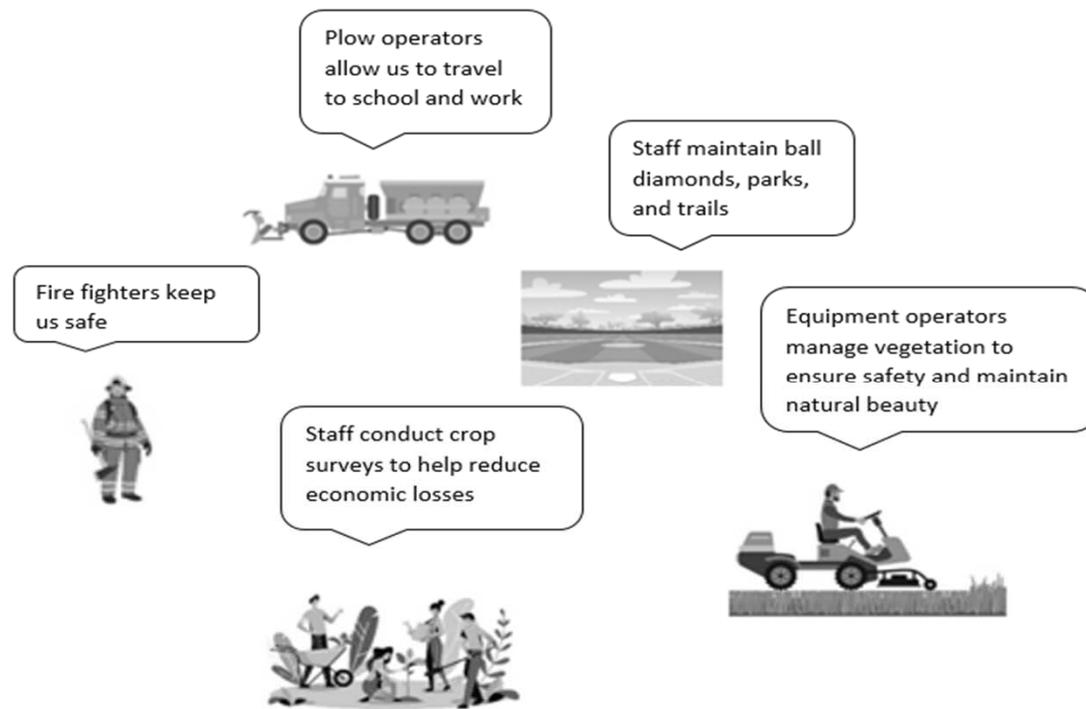
- Capital infrastructure such as roads, utilities, equipment, etc. is the foundation for County services
- It is the conduit that enables County programs and projects to be delivered through the operating budget

- The Operating Budget

- The operating budget includes the day-to-day costs of providing County services through the year.
- It is the essential piece that enables Council's Strategic Plan to become a reality by allocating limited resources to Council priorities in a systematic manner.
- It enables the delivery of all County services to residents.

# 2021 FOCUS

- In the 2021 Capital Budget, the focus is on value added infrastructure, supporting annual maintenance programs, equipment replacement, fire services, and parks and recreation projects.
- In the 2021 Operating Budget, the focus is on road maintenance, recreation, and a safe and secure community.



## BUILDING A RESILIENT COUNTY

- We anticipate 2021 to be another a trying year for businesses, municipalities, communities, and families, as we continue to navigate through the Covid-19 pandemic.
- Parkland County has made significant changes over the course of the last few years to ensure that it can continue to provide programs and services to residents even in the most challenging times.
- Parkland County has also made a concerted effort to reduce spending and maximize revenue to keep the tax rate impact on residents and businesses as low as possible while not reducing service level.

# BUILDING A RESILIENT COUNTY

## Planning and Saving for the Future

- Sustainable spending
- Asset management
- Restricted Surplus optimization

## Acting on Priorities

- Focused investment
- Clear and align priorities

## Fiscal Responsibility

- Strategic financing of projects
- Cashflow management

## Optimized Processes, Systems and Analytics

- Streamline and automate workflow
- Business process and project review

## Building a Culture

- Empowered, accountable and adaptable
- Customer focused

# 2021 FINAL BUDGET ADJUSTMENTS



3 Budget Adjustments have been made

1. Addition of approved carry forwards
2. Consolidation of approved Wabamun budget
3. Significant budget adjustments



The impacts of carry forward projects and the Wabamun consolidation have already been approved



The focus of the presentation will be on significant budget adjustments not yet approved

## 2021 OPERATING PROGRAM FINAL BUDGET ADJUSTMENTS

	2021 Interim Budget	2021 Carry Forwards	2021 Adjustments	2021 Wabamun	2021 Final Budget	Budget Increase/ (Decrease)	Budget Increase/ (Decrease)
	\$	\$	\$	\$	\$	\$	%
<b>Operating Revenues</b>							
Special Taxes	1,438,900	-	(45,600)	-	1,393,300	(45,600)	(3.2%)
User Fees and Sale of Goods and Services	7,894,710	-	(156,650)	697,100	8,435,160	540,450	6.8%
Government Transfers	2,539,200	106,600	(26,500)	17,600	2,636,900	97,700	3.8%
Transfers from Local Board and Agencies	10,200	-	-	-	10,200	-	-
Investment Income	2,105,800	-	-	15,000	2,120,800	15,000	0.7%
Licenses and Permits	1,354,000	-	2,012,000	9,700	3,375,700	2,021,700	149.3%
Penalties	1,332,400	-	457,600	14,200	1,804,200	471,800	35.4%
Other Revenue - Operating	614,500	-	135,000	316,200	1,065,700	451,200	73.4%
Gain on Disposal of Tangible Capital Assets	108,000	-	-	-	108,000	-	-
Transfers from Restricted Surplus	628,700	940,100	345,450	369,900	2,284,150	1,655,450	263.3%
<b>Total Revenues</b>	<b>18,026,410</b>	<b>1,046,700</b>	<b>2,721,300</b>	<b>1,439,700</b>	<b>23,234,110</b>	<b>5,207,700</b>	<b>28.9%</b>
<b>Operating Expenditures</b>							
Salaries, Wages and Employee Benefits	33,459,300	140,300	-	558,100	34,157,700	698,400	2.1%
Contracted and General Services	13,987,200	675,900	177,600	684,800	15,525,500	1,538,300	11.0%
Materials, Goods, Supplies and Utilities	6,925,400	16,500	18,400	282,400	7,242,700	317,300	4.6%
Interest on Long Term Debt	828,700	-	178,100	-	1,006,800	178,100	21.5%
Bank Charges	39,800	-	-	2,700	42,500	2,700	6.8%
Transfers to Governments, Agencies & Organizations	5,607,100	214,000	126,000	43,800	5,990,900	383,800	6.8%
Purchases from Other Governments	3,668,980	-	(147,100)	195,900	3,717,780	48,800	1.3%
Amortization of Tangible Capital Assets	17,155,500	-	-	-	17,155,500	-	-
Loss on Disposal of Tangible Capital Assets	425,670	-	-	-	425,670	-	-
Other Expenses - Operating	825,000	-	-	-	825,000	-	-
Debt Payments	2,326,700	-	204,800	-	2,531,500	204,800	8.8%
Transfers to Restricted Surplus	13,864,730	-	3,124,000	98,500	17,087,230	3,222,500	23.2%
Internal Charges	(367,500)	-	-	-	(367,500)	-	-
<b>Total Expenditures</b>	<b>98,746,580</b>	<b>1,046,700</b>	<b>3,681,800</b>	<b>1,866,200</b>	<b>105,341,280</b>	<b>6,594,700</b>	<b>6.7%</b>
<b>Operating Surplus/(Shortfall)</b>	<b>(80,720,170)</b>	<b>-</b>	<b>(960,500)</b>	<b>(426,500)</b>	<b>(82,107,170)</b>	<b>(1,387,000)</b>	<b>1.7%</b>

## 2021 OPERATING AND CAPITAL PROJECTS FINAL BUDGET ADJUSTMENTS

	2021 Interim Budget	2021 Carry Forwards	2021 Adjustments	2021 Wabamun	2021 Final Budget	Budget Increase/ (Decrease)	Budget Increase/ (Decrease)
	\$	\$	\$	\$	\$	\$	%
<b>Operating Projects Revenue</b>							
Government Transfers	13,700	1,010,200	465,000	-	1,488,900	1,475,200	1076.79%
Other Revenue - Operating	694,500	448,400	(50,000)	-	1,092,900	398,400	57.4%
Transfers from Restricted Surplus	1,302,000	2,611,200	-	-	3,913,200	2,611,200	200.6%
<b>Operating Projects Revenues</b>	<b>2,010,200</b>	<b>4,069,800</b>	<b>415,000</b>	<b>-</b>	<b>6,495,000</b>	<b>4,484,800</b>	<b>223.1%</b>
<b>Operating Project Expenditures</b>							
Salaries, Wages and Employee Benefits	111,000	175,000	20,000	-	306,000	195,000	175.7%
Contracted and General Services	1,764,300	3,511,000	345,000	-	5,620,300	3,856,000	218.6%
Materials, Goods, Supplies and Utilities	528,000	383,800	150,000	-	1,061,800	533,800	101.1%
Transfers to Governments, Agencies & Organizations	7,500	-	-	-	7,500	-	-
<b>Operating Projects - Expenditures</b>	<b>2,410,800</b>	<b>4,069,800</b>	<b>515,000</b>	<b>-</b>	<b>6,995,600</b>	<b>4,584,800</b>	<b>190.2%</b>
<b>Operating Surplus/(Shortfall)</b>	<b>(400,600)</b>	<b>-</b>	<b>(100,000)</b>	<b>-</b>	<b>(500,600)</b>	<b>(100,000)</b>	<b>25.0%</b>
<b>Capital Revenue</b>							
Government Transfers	14,189,900	6,447,100	3,910,000	280,700	24,827,700	10,637,800	75.0%
Transfer from Restricted Surplus	12,699,100	3,191,200	1,710,200	-	17,600,500	4,901,400	38.6%
Other Capital Revenue	5,975,200	-	-	-	5,975,200	-	-
Proceeds from Long-Term Debt	4,935,000	279,400	5,000,000	-	10,214,400	5,279,400	107.0%
<b>Total Revenues</b>	<b>37,799,200</b>	<b>9,917,700</b>	<b>10,620,200</b>	<b>280,700</b>	<b>58,617,800</b>	<b>20,818,600</b>	<b>55.1%</b>
<b>Capital Expenditures</b>							
Capital Purchases	27,614,000	9,638,300	6,620,200	280,700	44,153,200	16,539,200	59.9%
Capital Purchases with Debt	4,935,000	279,400	5,000,000	-	10,214,400	5,279,400	107.0%
Contributed Assets	5,975,200	-	-	-	5,975,200	-	-
<b>Total Expenditures</b>	<b>38,524,200</b>	<b>9,917,700</b>	<b>11,620,200</b>	<b>280,700</b>	<b>60,342,800</b>	<b>21,818,600</b>	<b>56.6%</b>
<b>Capital Surplus/(Shortfall)</b>	<b>(725,000)</b>	<b>-</b>	<b>(1,000,000)</b>	<b>-</b>	<b>(1,725,000)</b>	<b>(1,000,000)</b>	<b>137.9%</b>

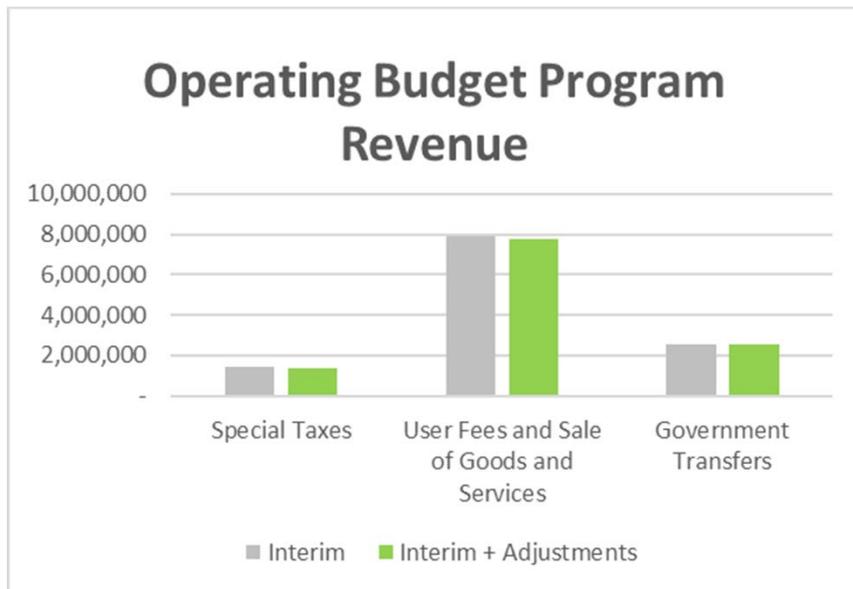
# CARRY FORWARDS

- Operating and capital carryforwards continue to be significant
  - The 2022 budget will focus on establishing a new baseline and clean up historical carry forwards
  - Only critical projects will be undertaken in 2022

# IMPACT OF ADJUSTMENT

- This is the last year administration will bring final budget adjustments as we continue to move towards efficiency and best practices in budgeting
- Administration did not solicit departments for changes as was completed in the past year. The focus was on significant changes due to major events or economic factors
- As such, there are very few adjustments before you today
- The following slides will walk you through these adjustments and their impact on the budget
- These adjustments will result in a reduction in the municipal tax increase presented in November for both residential and non-residential properties

# 2021 OPERATING BUDGET PROGRAM REVENUE



## Special Taxes

- Well Drilling Equipment Tax Rate Regulation elimination

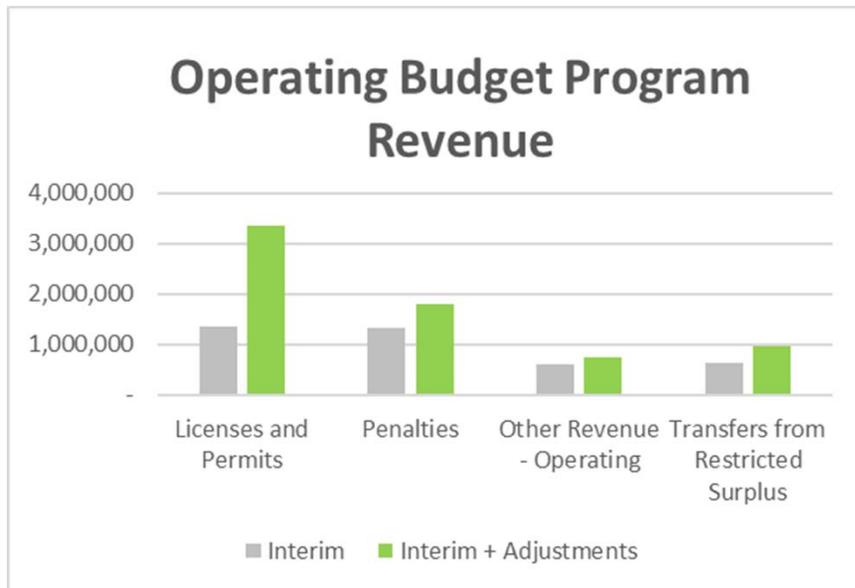
## User Fees and Sale of Goods and Services

- Adjusted Fleet charges
- Removed Wabamun Fire Services Revenue
- Acheson Transit Route 1 Sales and Service charges adjusted down to reflect impact of reduced ridership due to COVID-19
- Acheson Shuttle Service revenue reduced to reflect reduced use of service due to COVID-19

## Government Transfers

- Removed Wabamun Fire Station Lifecycle Plan Cost Share Revenue
- Balanced FCSS Revenues per Amended Agreement

# 2021 OPERATING BUDGET PROGRAM REVENUE CONTINUED



## Licenses and Permits

- Increased Development Permit Fees in Acheson

## Penalties

- Increase to Enforcement Revenue

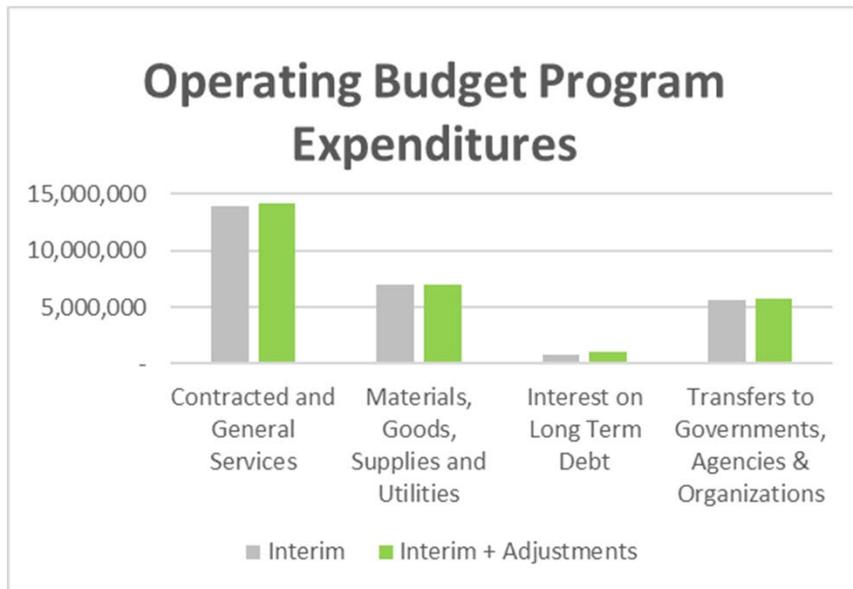
## Other Revenue – Operating

- Increased Gravel Pit Development and Reclamation to adjust for 2021 planned work

## Transfers from Restricted Surplus

- Adjustment to Enforcement funding
- Funding for additional Election COVID-19 supplies
- Yellowhead Capital Cost Share Request (Evansburg Arena)

# 2021 OPERATING BUDGET PROGRAM EXPENDITURES



## Contracted and General Services

- Increase contribution to Edmonton Global
- Increased Gravel Pit Development and Reclamation to adjust for 2021 planned work

## Materials, Goods, Supplies and Utilities

- Election COVID-19 supplies
- Adjusted Fleet charges

## Interest on Long Term Debt

- Increased interest payments due to Acheson Zone 5 & 7 infrastructure project to complete in 2021 and rising interest rates

## Transfers to Governments Agencies & Organizations

- Yellowhead Capital Cost Share Request and Operational Cost Share Request
- Balanced FCSS Expenditures per Amended Agreement

# 2021 OPERATING BUDGET PROGRAM EXPENDITURES CONTINUED

## Purchases from Other Governments

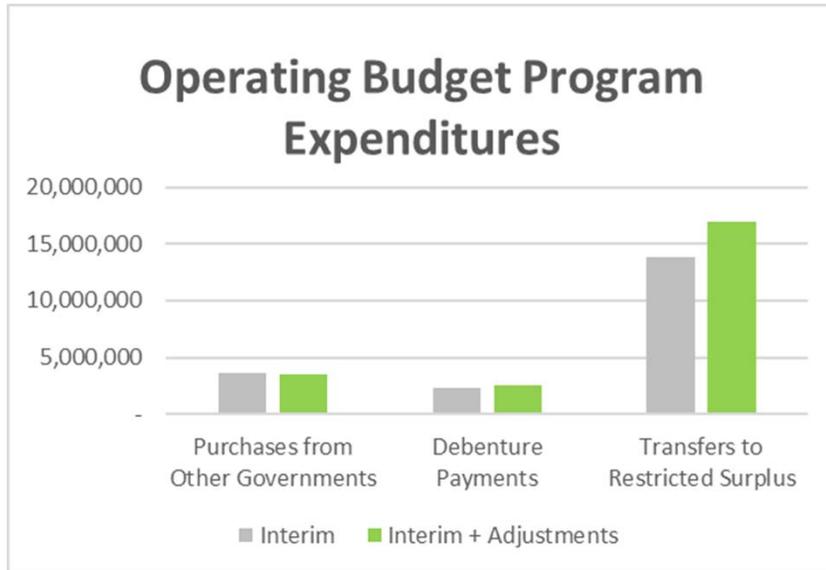
- Acheson Transit Route 1 shared service contract with City of Spruce Grove reduced due to decreased ridership and service
- Removed Wabamun Fire Station Cost Share Agreement

## Debenture Payments

- Increased debt payments due to Acheson Zone 5 & 7 infrastructure project to complete in 2021

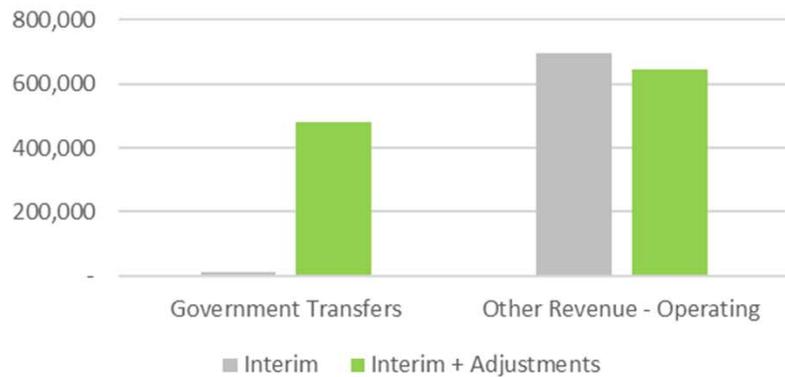
## Transfers to Restricted Surplus

- Increased transfer of permit fees in Acheson per Policy
- Contribution to Business Attraction per policy
- Transfer additional revenue in Enforcement to offset future expenditures
- Contribution to Long Term Sustainability Restricted Surplus per policy and future planning
- Well Drilling Equipment Tax Rate Regulation elimination



# 2021 OPERATING BUDGET PROJECT

## Operating Budget Project Revenue



### Government Transfers

- Alberta Community Partnership (ACP) Municipal Restructuring Grant
- Municipal Operating Support Transfer (MOST) Grant
- Western Economic Diversification Canada (WEDC) Grant

### Other Revenue – Operating

- Reclassification of Municipal Operating Support Transfer (MOST) Grant

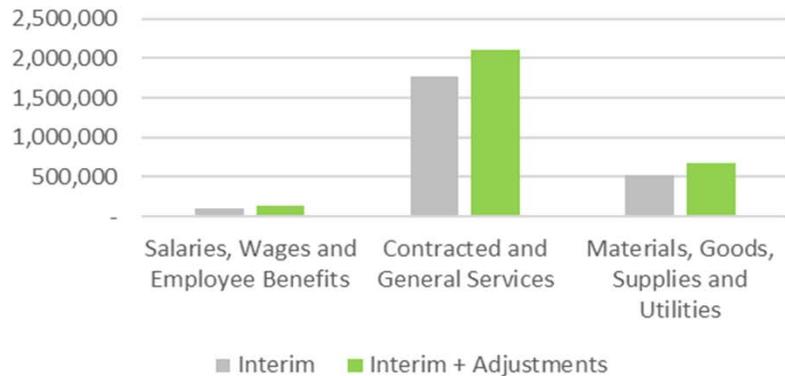
### Salaries, Wages and Employee Benefits

- Wabamun GIS mapping and data (ACP)

### Contracted and General Services

- Support for Wabamun transition communications (ACP)
- Consulting for VeMAX Asset Management Wabamun (ACP)
- Initial Environmental Assessments of Wabamun (ACP)
- Revise Facilities Life Cycle plans for Wabamun (ACP)
- Wabamun records retention and disposal review (ACP)
- Broadband Feasibility Study (WEDC)

## Operating Budget Project Expenditures



### Materials, Goods, Supplies and Utilities

- Remote Work Initiatives (MOST)
- Emergency Management COVID purchases

# 2021 CAPITAL BUDGET PROJECT

## Capital Budget Project Revenue



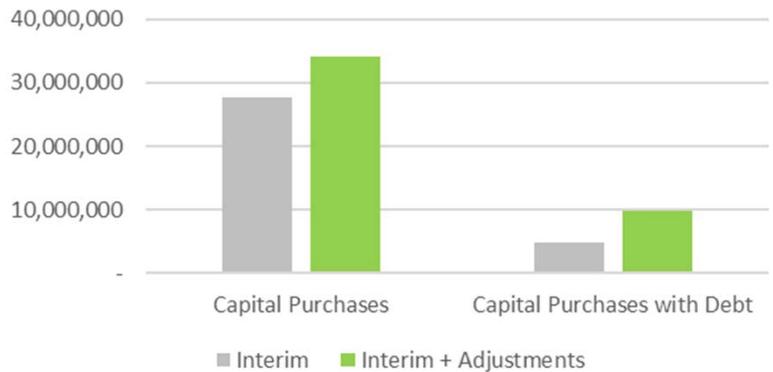
## Government Transfers

- Acheson Zone 1 & 2 Wastewater Upgrade \$170K (MSI)
- Fallis Drainage Project Increase \$200K (GTF)
- IT Infrastructure Addition \$440K (MOST)
- Wabamun Infrastructure Transition Funding \$950K (ACP)
- West Central Firehall funding change from debt to MSI \$3M
- Parkland County Transfer Station change from R/S to MSI & GTF \$1.5M
- Annual Asphalt Surfacing Program change in \$1M Project funding MSI to Taxation

## Transfer from Restricted Surplus (R/S)

- Increased Transfers from Life Cycle Plan R/S:
- Facilities \$122,300
- Fire \$48,000
- Fleet \$1,727,400

## Capital Budget Project Expenditures



## Proceeds from Long-Term Debt

- West Central Firehall funding change from debt to MSI \$3M;

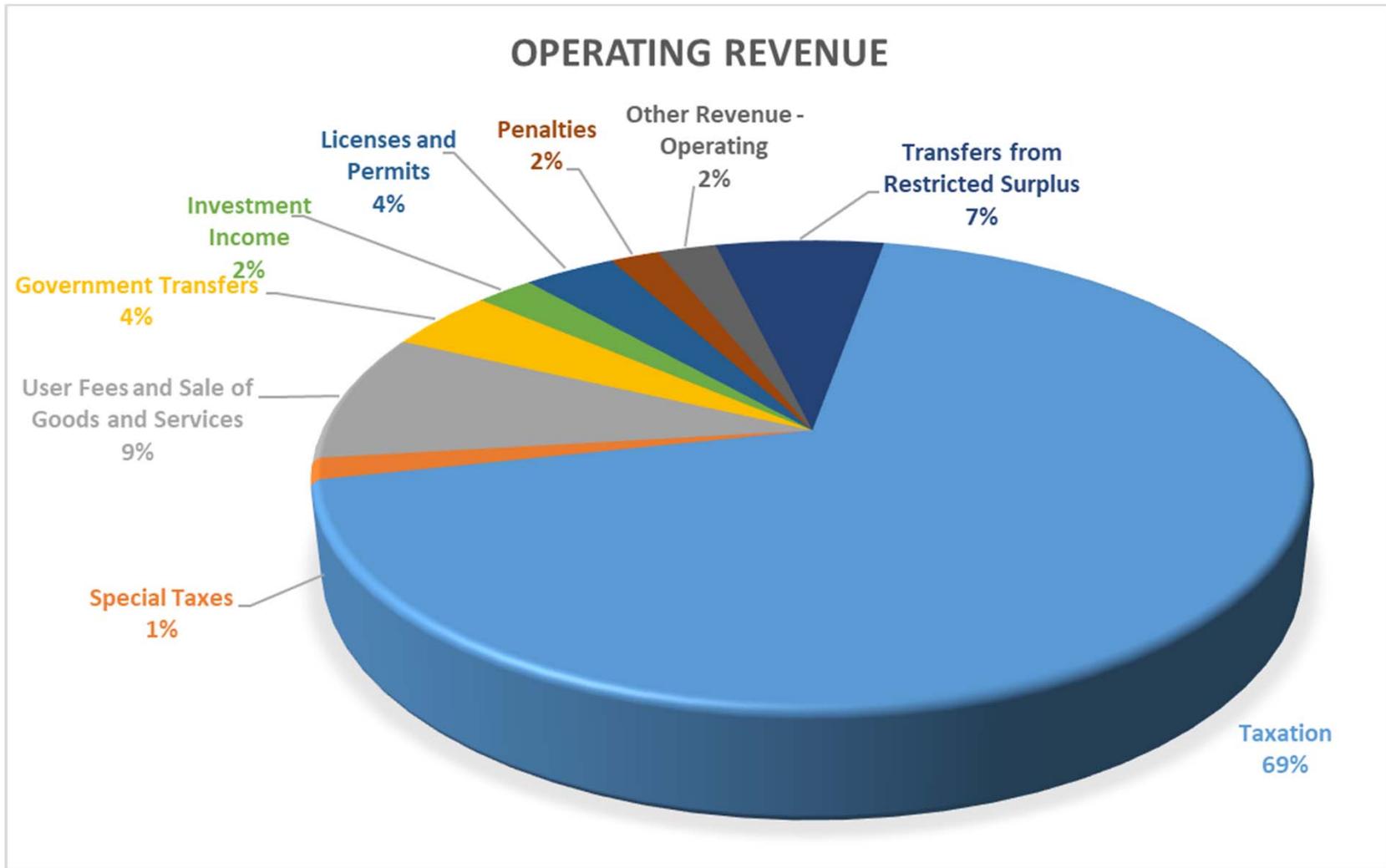
## Capital Purchases

- Changed as a result of projects listed above

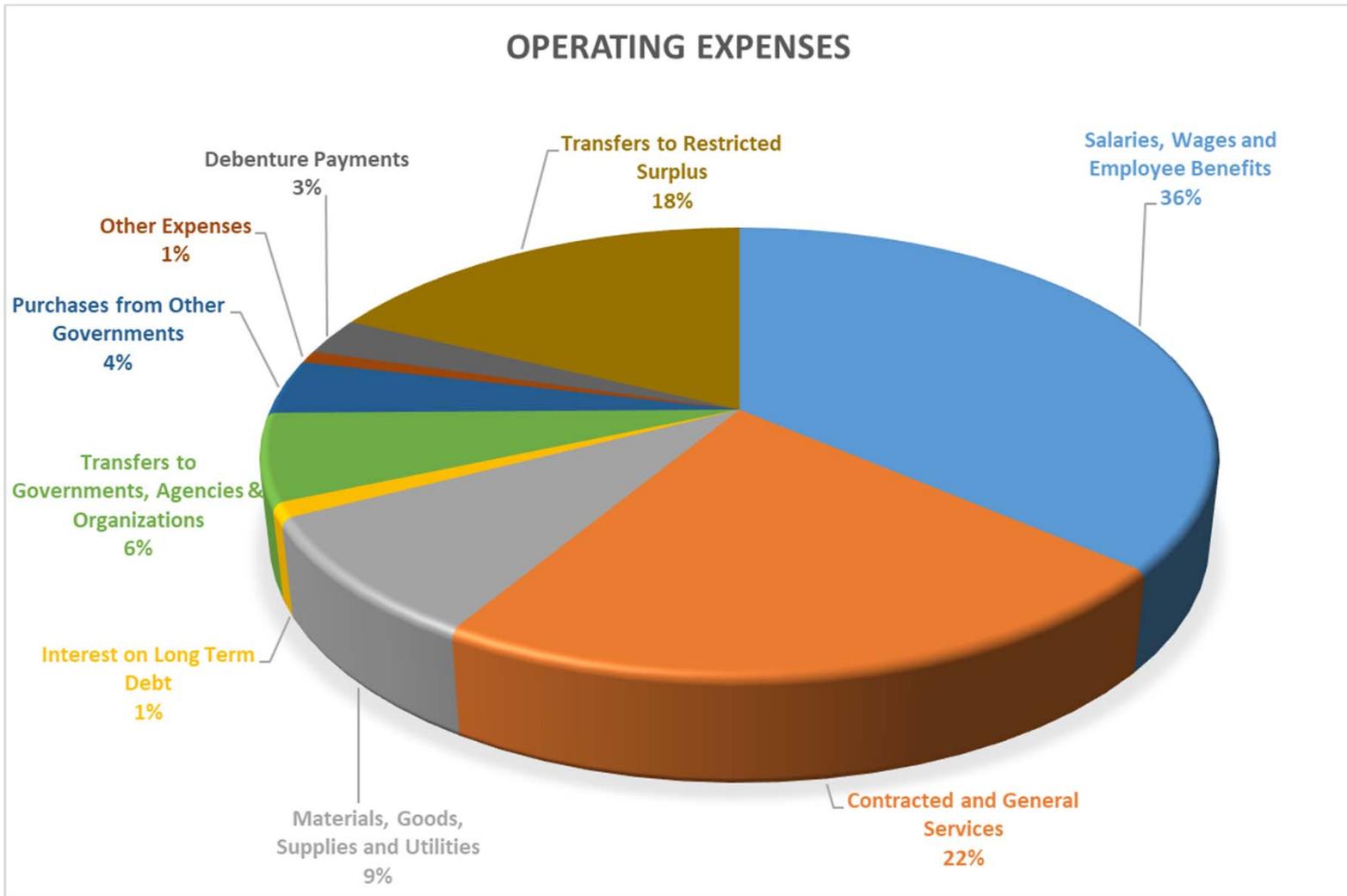
## Capital Purchases with Debt

- West Central Firehall funding change from debt to MSI \$3M;

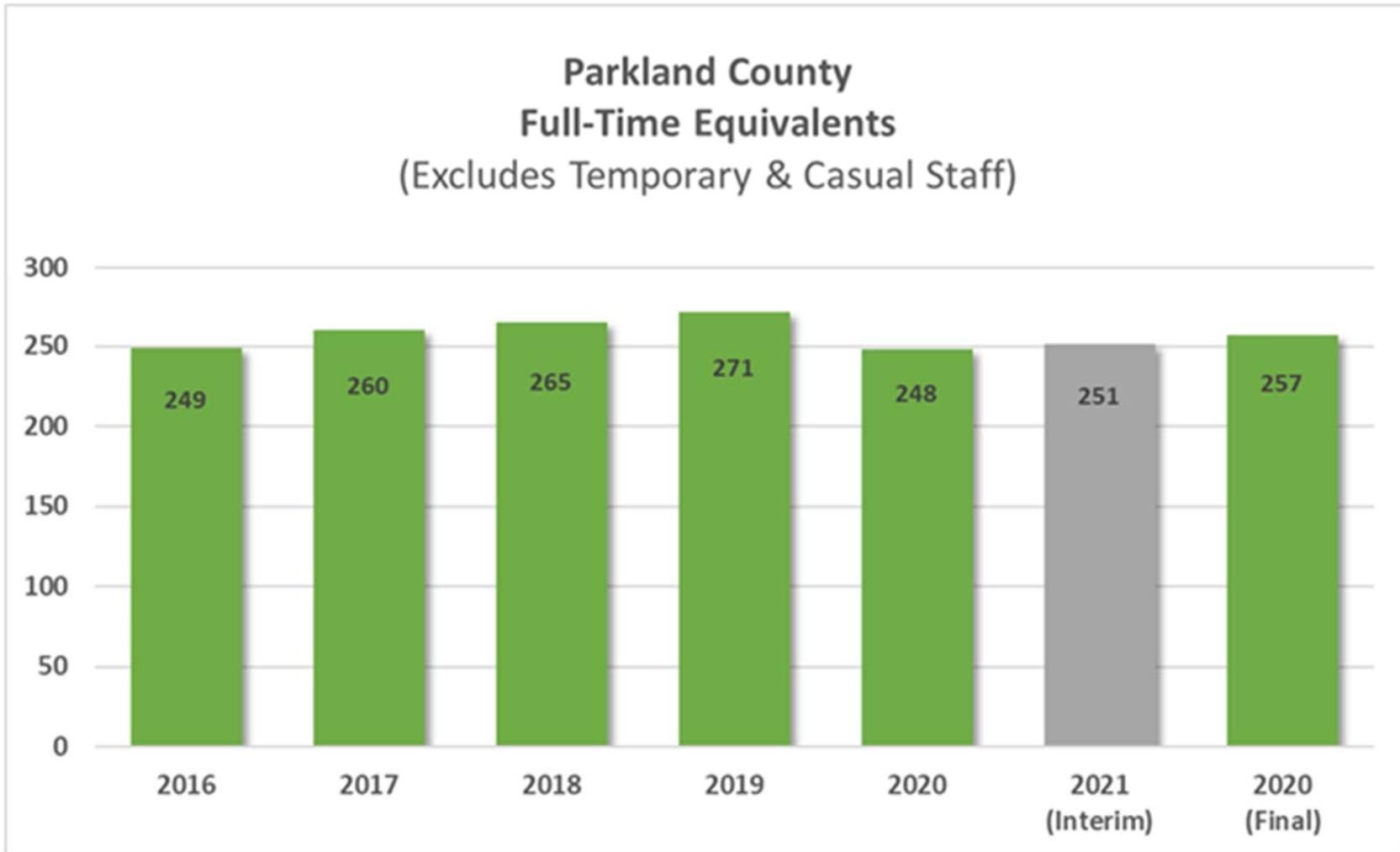
# OPERATING BUDGET REVENUE OVERVIEW



# OPERATING EXPENSES



# SALARIES, WAGES AND BENEFITS



# TOTAL CAPITAL PURCHASES BY ASSET CLASS

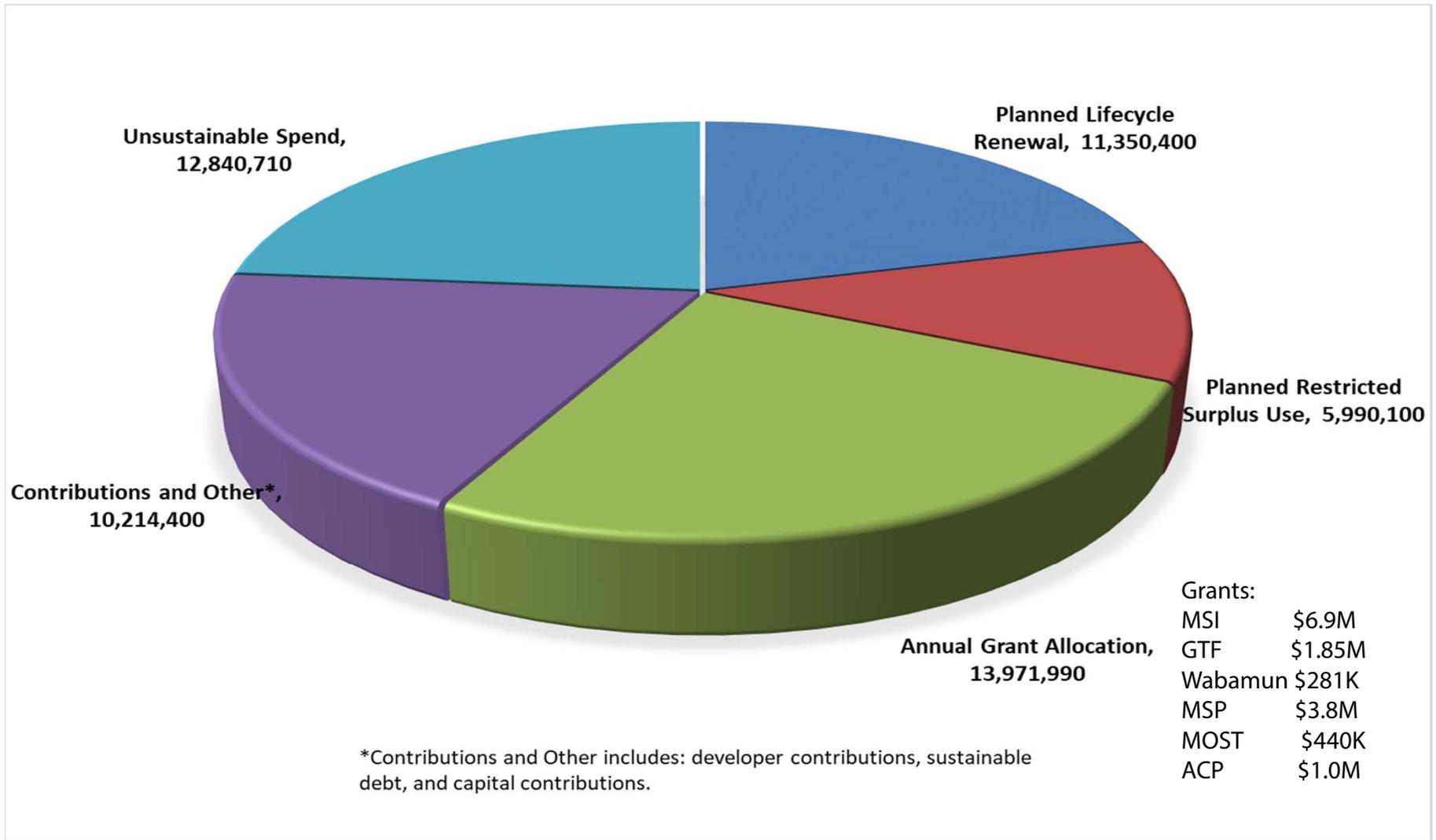
<b>Infrastructure Class</b>	<b>2021 Final</b>
Bridges	2,355,500
Broadband	28,200
County Facilities	9,987,500
Fire Services	4,183,800
Fleet	5,604,800
Information Technology	4,662,900
Machinery & Equipment	117,400
Parks & Recreation Facilities	3,398,700
Road Construction - New	201,900
Road Rehabilitation	9,644,900
Stormwater	1,246,800
Wastewater	8,837,200
Water	2,817,300
<b>Total</b>	<b>53,086,900</b>
CAO Contingency Capital	1,280,700
<b>Total Capital Budget</b>	<b>54,367,600</b>

## CAPITAL PURCHASES BY ASSET CLASS ADJUSTMENTS

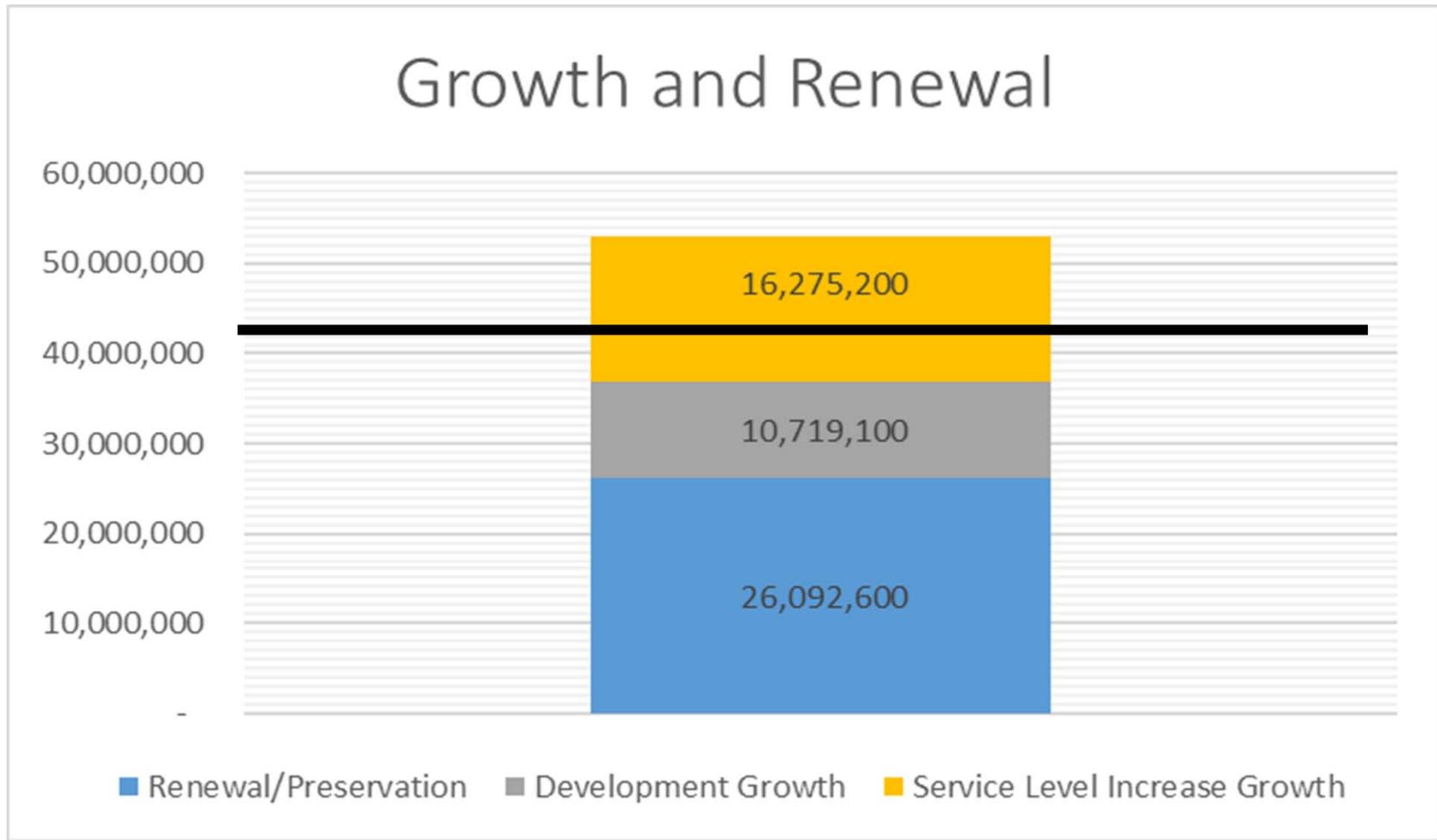
Infrastructure Class	2021 Interim	Adjustments	Total
Bridges	2,245,000		2,245,000
County Facilities	5,650,000	217,800	5,867,800
Fire Services	1,488,100	1,775,400	3,263,500
Fleet	5,494,800	110,000	5,604,800
Information Technology	3,177,200	490,000	3,667,200
Machinery & Equipment	77,000	14,500	91,500
Parks & Recreation Facilities	2,701,600	(37,500)	2,664,100
Road Construction - New	200,000		200,000
Road Rehabilitation	7,880,300	200,000	8,080,300
Stormwater	650,000		650,000
Wastewater	385,000	7,840,000	8,225,000
Water	1,600,000	1,010,000	2,610,000
<b>Total</b>	<b>31,549,000</b>	<b>11,620,200</b>	<b>43,169,200</b>
Capital Contingency	1,000,000	280,700	1,280,700
<b>2021 Interim plus Adjustments</b>	<b>32,549,000</b>	<b>11,900,900</b>	<b>44,449,900</b>

**Excludes project carry forwards and Wabamun budget.**

# 2021 CAPITAL BUDGET SUSTAINABILITY

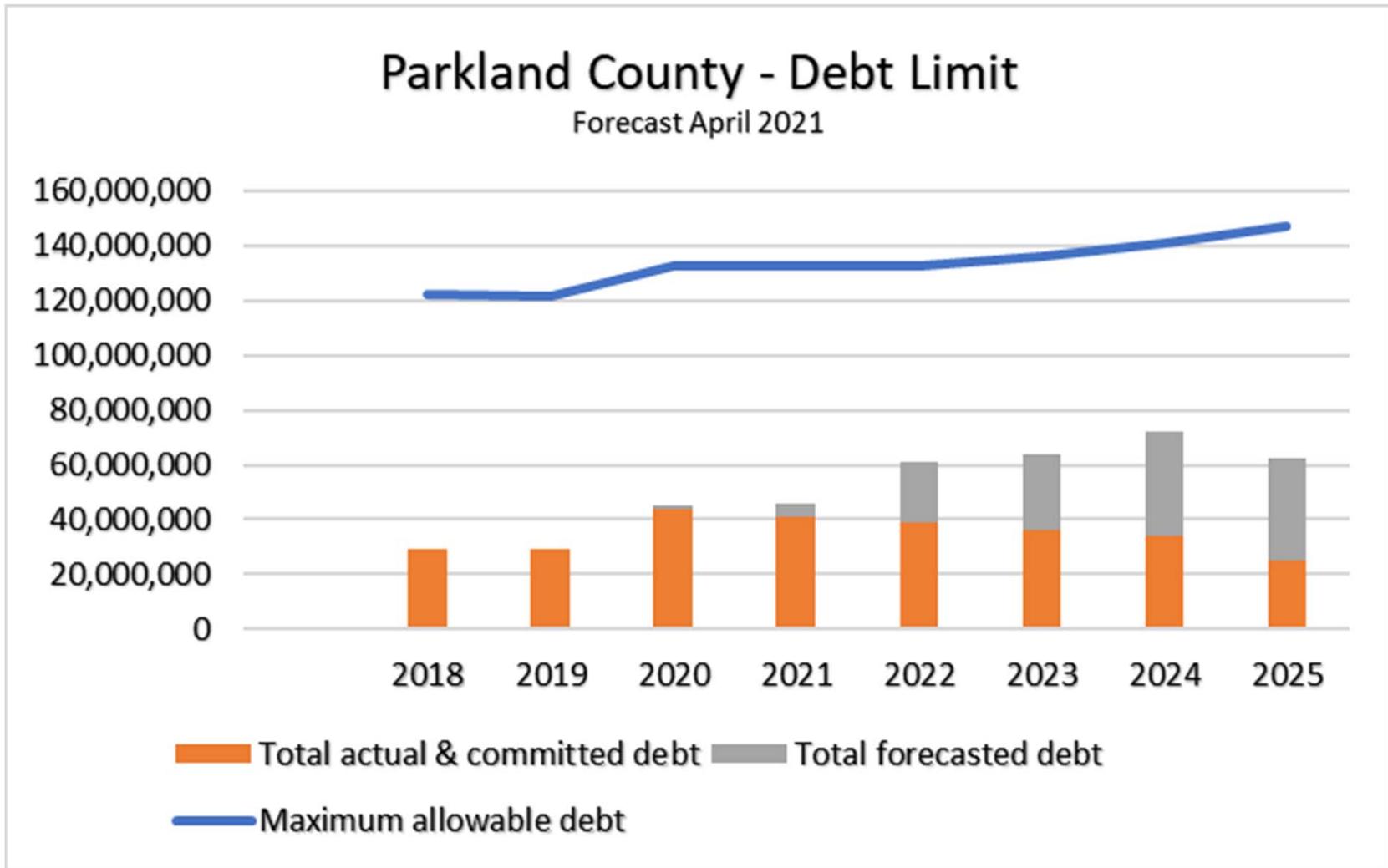


# GROWTH VS RENEWAL



— Represents the sustainable capital spending level

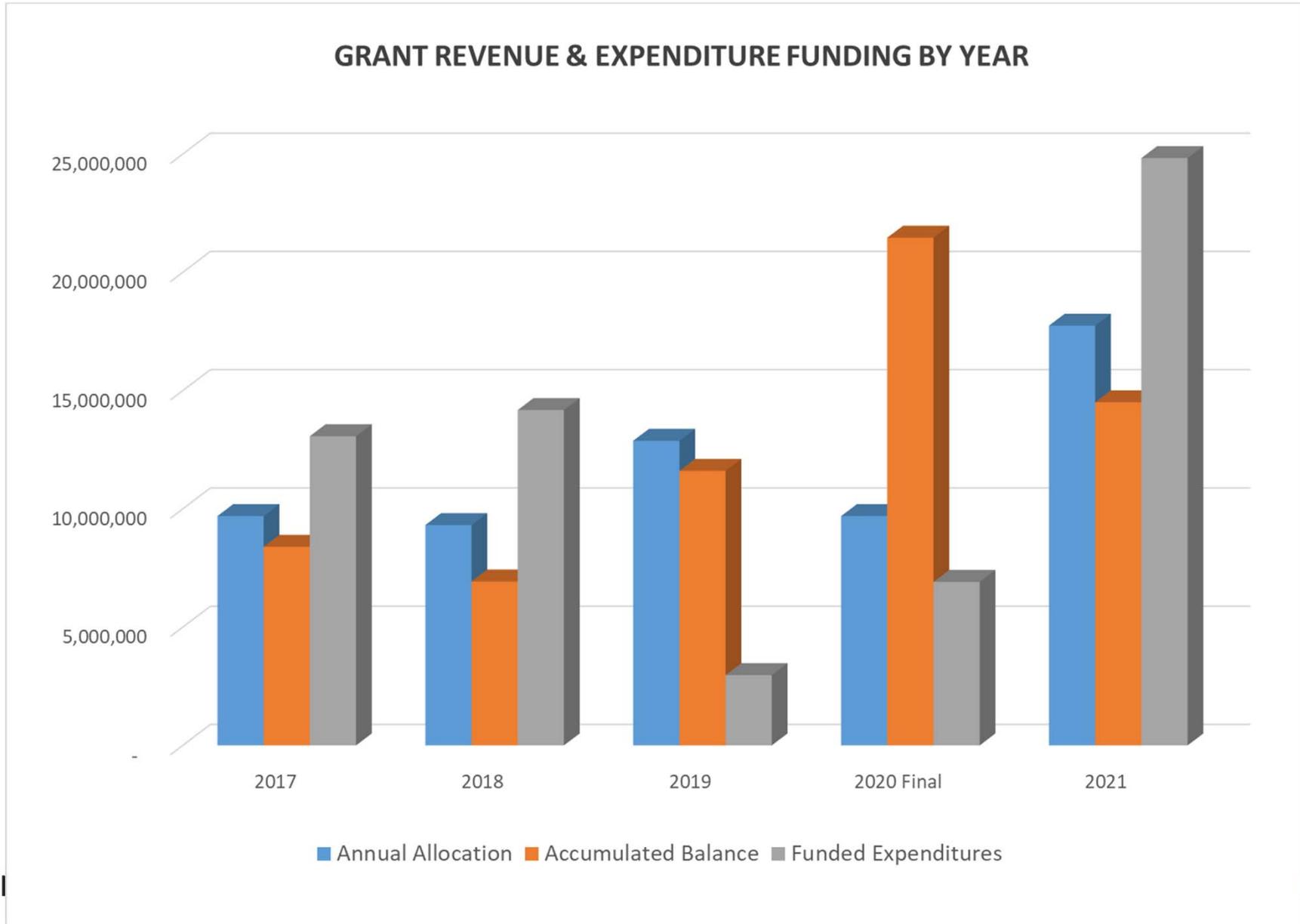
# DEBT FUNDING



# RESTRICTED SURPLUS FUNDING

<b>Asset Class</b>	<b>Planned Lifecycle Renewal</b>	<b>Planned Restricted Surplus</b>	<b>Unplanned Restricted Surplus</b>
Broadband	-	28,200	-
CAO Contingency Capital	-	1,000,000	-
County Facilities	-	1,045,600	-
Fire Services	4,183,800	-	-
Fleet	5,334,800	160,000	-
Information Technology	626,400	1,883,000	160,000
Machinery & Equipment	205,400	19,800	-
Parks & Recreation Facilities	1,000,000	1,748,500	-
Road Construction - New	-	1,900	-
Road Rehabilitation	-	-	100,000
Stormwater	-	76,800	-
Wastewater	-	26,300	-
<b>Total</b>	<b>11,350,400</b>	<b>5,990,100</b>	<b>260,000</b>

# GRANT FUNDING



# PROPERTY TAXATION

- Residents will not see a large tax rate increase or a reduction in services in the 2021 budget.
- The budget balances resident needs, anticipated inflation, and current economic conditions.
- The County believes in predictable and reasonable annual rate adjustments.
- Growth of the Acheson Industrial Area and continued prudent spending practices have helped to maintain a low tax rate for 2021.

# RESIDENTIAL PROPERTY TAX

- 2021

Median Assessment Value		\$ 486,900	\$ 483,375		
<u>PROPERTY TAX - Estimate</u>		<u>2020</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
Municipal	\$	1,979	\$ 1,964	\$ (15)	-0.76%
Tri Leisure Centre	\$	36	\$ 34	\$ (2)	-5.56%
Edmonton Metropolitan Region Board	\$	4	\$ 3	\$ (1)	-25.00%
Royal Canadian Mounted Police	\$	22	\$ 40	\$ 18	81.82%
<b>Total Municipal Tax</b>	<b>\$</b>	<b>2,041</b>	<b>\$ 2,041</b>	<b>\$ -</b>	<b>0.00%</b>
Senior's Foundation	\$	34	\$ 36	\$ 2	5.88%
School	\$	1,232	\$ 1,288	\$ 56	4.55%
<b>Total Property Tax</b>	<b>\$</b>	<b>3,307</b>	<b>\$ 3,365</b>	<b>\$ 58</b>	<b>1.75%</b>

- 2020

Median Assessment Value		\$ 498,696	\$ 486,900		
<u>PROPERTY TAX - Estimate</u>		<u>2019</u>	<u>2020</u>	<u>\$ Change</u>	<u>% Change</u>
Municipal	\$	2,001	\$ 1,979	\$ (22)	-1.10%
Tri Leisure Centre	\$	37	\$ 36	\$ (1)	-2.70%
Edmonton Metropolitan Region Board	\$	3	\$ 4	\$ 1	33.33%
Royal Canadian Mounted Police	\$	-	\$ 22	\$ 22	100%
<b>Total Municipal Tax</b>	<b>\$</b>	<b>2,041</b>	<b>\$ 2,041</b>	<b>\$ -</b>	<b>0.00%</b>
Senior's Foundation	\$	34	\$ 34	\$ -	0.00%
School	\$	1,275	\$ 1,232	\$ (43)	-3.37%
<b>Total Property Tax</b>	<b>\$</b>	<b>3,350</b>	<b>\$ 3,307</b>	<b>\$ (43)</b>	<b>-1.28%</b>

# NON-RESIDENTIAL PROPERTY TAX

- 2021

Median Assessment Value		\$ 5,229,605	\$ 5,213,955		
<u>PROPERTY TAX - Estimate</u>		<u>2020</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
Municipal	\$	42,511	\$ 42,376	\$ (135)	-0.32%
Tri Leisure Centre	\$	772	\$ 733	\$ (39)	-5.05%
Edmonton Metropolitan Region Board	\$	94	\$ 64	\$ (30)	-31.91%
Royal Canadian Mounted Police	\$	465	\$ 861	\$ 396	85.16%
<b>Total Municipal Tax</b>	<b>\$</b>	<b>43,842</b>	<b>\$ 44,034</b>	<b>\$ 192</b>	<b>0.44%</b>
Senior's Foundation	\$	364	\$ 384	\$ 20	5.49%
School	\$	15,613	\$ 21,140	\$ 5,527	35.40%
<b>Total Property Tax</b>	<b>\$</b>	<b>59,819</b>	<b>\$ 65,558</b>	<b>\$ 5,739</b>	<b>9.59%</b>

- 2020

Median Assessment Value		\$ 5,116,994	\$ 5,229,605		
<u>PROPERTY TAX - Estimate</u>		<u>2019</u>	<u>2020</u>	<u>\$ Change</u>	<u>% Change</u>
Municipal	\$	41,065	\$ 42,511	\$ 1,446	3.52%
Tri Leisure Centre	\$	769	\$ 772	\$ 3	0.39%
Edmonton Metropolitan Region Board	\$	68	\$ 94	\$ 26	38.24%
Royal Canadian Mounted Police	\$	-	\$ 465	\$ 465	100.00%
<b>Total Municipal Tax</b>	<b>\$</b>	<b>41,902</b>	<b>\$ 43,842</b>	<b>\$ 1,940</b>	<b>4.63%</b>
Senior's Foundation	\$	349	\$ 364	\$ 15	4.30%
School	\$	20,329	\$ 15,613	\$ (4,716)	-23.20%
<b>Total Property Tax</b>	<b>\$</b>	<b>62,580</b>	<b>\$ 59,819</b>	<b>\$ (2,761)</b>	<b>-4.41%</b>



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QUESTIONS?