

2021

Interim Operating Budget
Approved Capital Budget





Message from the Chief Administrative Officer



I am pleased to present Westlock County's 2021 Interim Operating Budget and Approved Capital Budget. This budget is a reflection of the dedication and competence of County staff—they have responded swiftly and responsibly to support our citizens in the face of the COVID-19 pandemic, and at the same time, made great strides in improving the way we do business.

To start, this document is a significant step in fulfilling Council's commitment to improving communication with the public. Inside you will find open and transparent narratives that tell the story of the County's financial position and service levels. Feedback from the recent Budget Public Input Survey has guided decision making, helping us to balance financial realities with the needs of the community.

To assess current capacity and resources, service levels, costs and revenues, both a service review and a priority review were completed in the summer of 2020. Based on our findings, the organization is being restructured to streamline service delivery and a new budget process has been adopted to refine financial planning and explore opportunities to increase revenue and decrease costs.

Council is working to complete priority goals and advance their strategic themes one year at a time. This progress will provide direction to the corporation and allow Administration to align daily operations with Council's strategic vision for the community. This will be necessary to promote success in the years to come, as the County faces unprecedented challenges and decreasing revenue. Economic development and diversification, coupled with long-term planning and the continued streamlining of existing services, must be a focus as Westlock County steps into the future.

The 2021 Budget is the product of these many efficiencies, improvements and insights. It addresses revenue shortfalls and sets the stage for strengthening Westlock County for future growth and sustainability—doing what is critical now at this time of uncertainty will create the momentum essential for long-term success.

Rick McDonald, CMC
Interim CAO

Budget Document Guide



A How-To Guide for Understanding Westlock County's Budget

The annual budget is one of the County's most important guiding documents. It is developed by Administration and approved by Council each year to support the delivery of programs and services important to citizens. The budget allocates the resources required to progress toward achieving Council's priorities and their vision for the community.

The intent of this document is to assist Council in making decisions that maximize value with limited resources, and to provide citizens with a simple and understandable overview of the County's budget. It offers meaningful information that describes the difficult choices involved in municipal budgeting. The document addresses these specific questions:

- How is the budget funded?
- How are community priorities supported through spending?
- What do citizens receive for their tax dollars?
- What successes has the County achieved?
- What challenges is the County facing?



Head to the [Strategic Guidance](#) section for information about the public engagement procedures, documents, legislation and policies that guide budget development.



Head to the [Providing Quality Services](#) section for information about the types of services the County provides and the challenges it faces in doing so.



Head to the [Operating Budget Highlights](#) section for budget information on sources of revenue, expenses understanding your tax bill , value provided for tax dollars and more.



Head to the [Divisional Budgets](#) section for information about specific divisions and departments, including their operating successes, challenges, opportunities and priorities.



Head to the [Capital Budget Highlights](#) section for information on capital projects, challenges and priorities.

Strategic Guidance



Growing Opportunity: 2019-2024 Strategic Plan

The 2019-2024 Strategic Plan, *Growing Opportunity*, identifies County Council’s strategic priorities and reflects the values and needs of the people of Westlock County. It outlines the County’s vision, mission, values and priorities intended to inspire everyone in Westlock County to consider how we can work together to achieve our vision for the future.

Our Vision—*What we want Westlock County to look like in the future*

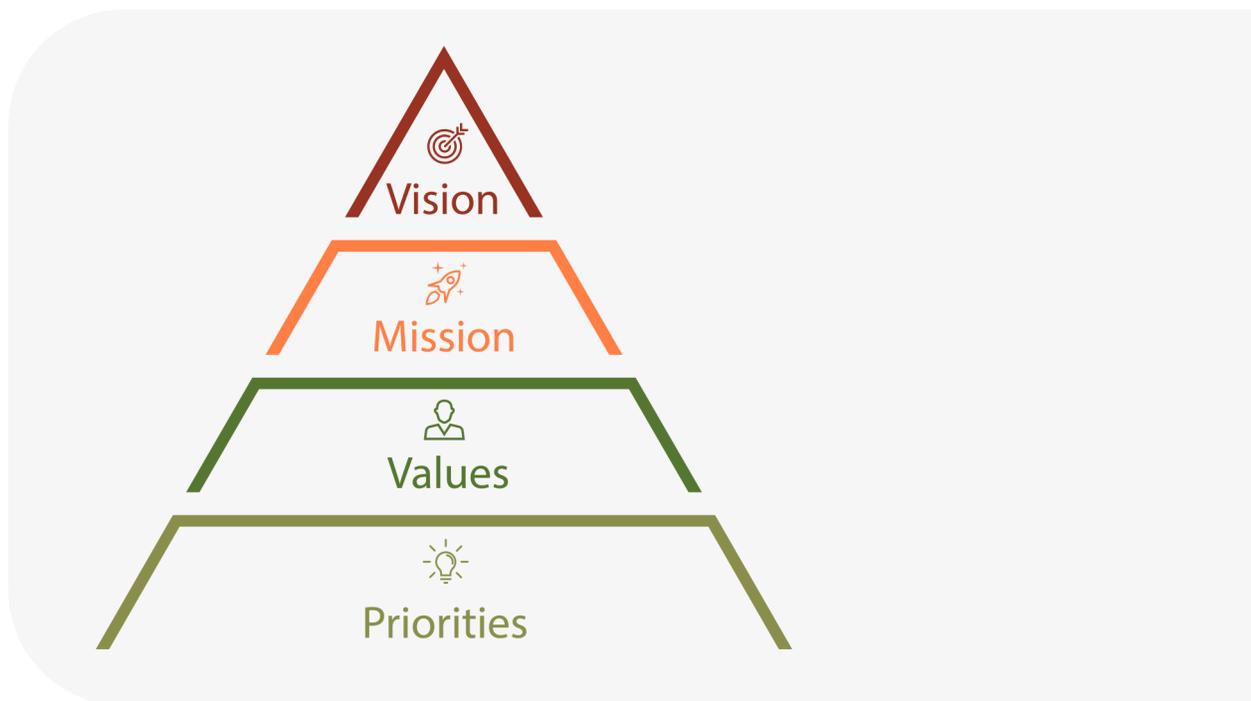
A prosperous rural community focusing on people, quality of life and diverse economic opportunities.

Our Mission—*The County’s role in achieving this vision*

To provide municipal programs, services and infrastructure our citizens depend on to support their well-being in the most efficient and effective manner possible.

Our Values—*The values which guide how we think and act*

We listen with respect and open minds, provide well-intended honest input, rely on evidence and expertise, support continuous improvement, and are accountable for our decisions.



Council's commitment

Westlock County's budgeting process is guided by Council's commitment to engaging with the public and adhering to the strategic priorities that reflect the needs of citizens. We work in partnership with citizens to create a connected, vibrant and sustainable community while keeping our attention firmly on living within our means and making investments for our future.

- **We are committed to the residents of Westlock County.** We appreciate that our role is to serve people and we will carefully consider the needs and expectations of all residents when establishing policy and making decisions.
- **We are committed to good governance.** We are a team and will adhere to our Code of Conduct at all times. We act in the public interest and commit to open and transparent decision-making.
- **We are committed to the financial sustainability of the municipality.** We will strive to ensure the efficient delivery of our programs and services. The decisions we make today will enhance the long-term financial stability of Westlock County.
- **We are committed to working with others.** We will collaborate with residents, community groups and stakeholders across the County, our municipal neighbours, Rural Municipalities of Alberta, and the provincial and federal governments to achieve our strategic priorities.
- **We are committed to supporting organizational excellence.** We recognize the crucial role staff play in providing programs and services and will support initiatives to improve the overall capacity of our organization.

Commitment to Council's Long-Term Strategic Themes



Council’s short-term priorities

Earlier in 2020, Council set short-term priorities to address emerging opportunities and issues and make progress in alignment with Council’s strategic themes. Administration and Council have partnered to efficiently complete those items. To ensure strategic progress and to improve the quality of life for the community, Council will continue to set new priorities each year as items are completed. The table below outlines our progress so far.

<input checked="" type="checkbox"/>	Recording Council meetings	Completed
<input checked="" type="checkbox"/>	Communicating through Facebook	Completed
<input checked="" type="checkbox"/>	Supporting ‘Share the Doctor’ program	Completed
<input checked="" type="checkbox"/>	Addressing vandalism at transfer stations	In progress
<input checked="" type="checkbox"/>	Defining infrastructure service levels	In progress
<input checked="" type="checkbox"/>	Finding solutions for revenue loss	In progress
<input checked="" type="checkbox"/>	Solving drainage issues	In progress
<input type="checkbox"/>	Amending the Land Use Bylaw	Upcoming in 2021

Community engagement

Public engagement plays an essential role in shaping Westlock County’s budget. Both Council and staff understand the value of public input into the many projects, policies and initiatives that the County implements throughout the year. The County seeks to improve upon communications and maintains a consistent approach to engagement with the public:

To connect with the public, Council:

- Engages with members of the public every step of the way
- Hosts open houses to collect public opinion on upcoming projects or service delivery changes
- Continues ongoing, on-call support to listen to and address public issues or concerns
- Commits to strategic planning and alignment with strategic priorities

To connect with the public, Administration:

- Recognizes communication as a strategic priority and strives to better inform the public
- Surveys the community on specific topics, such as changes in services and taxes and assessment
- Communicates through different platforms to reach a diverse demographic, such as through social media, mail-outs, and newspaper advertisements
- Tracks service requests to address concerns
- Answers calls from concerned residents
- Manages complaints through bylaws and enforcement



Corporate business planning

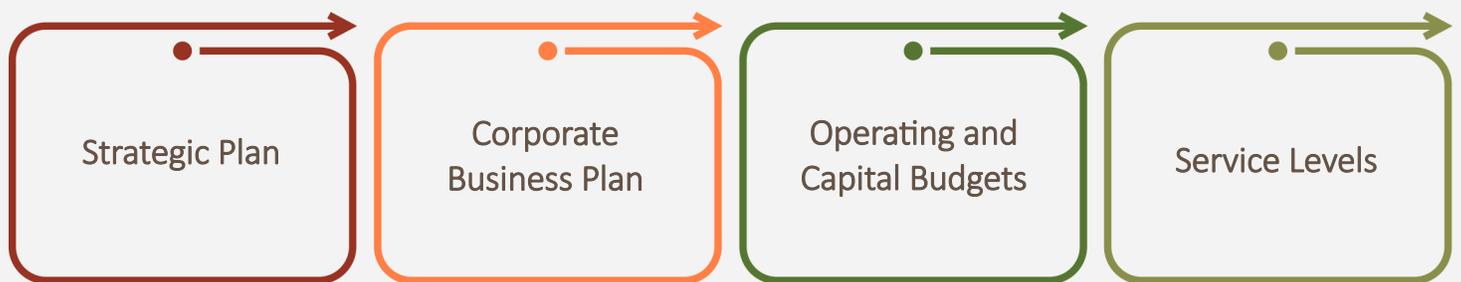
Interpreting Council’s guidance and strategizing the future

Council’s Strategic Plan is an aspirational document that was developed through community engagement to define a vision for the future. Bringing the strategic plan to life requires a bridge for Administration to put the document into action through everyday operations. A corporate business plan is that bridge—an internal business document that guides the organization to link planning to budgeting and to achieve the priorities outlined in the strategic plan.

Westlock County is in the process of completing a corporate business plan. This represents a foundational success for the organization, as the plan will act as a guiding document for operations and produce short-term goals that advance Council’s strategic priorities. The objective is to refine the strategic goals into a 4-year plan that will be reviewed and updated on a 4-year cycle.

The corporate business plan will:

- **Link business planning and budgeting** by addressing strategic business goals with budget requirements.
- **Create an integrated, long-term process** that will allow the organization to mitigate risks, plan for the future, provide solutions to financial challenges, and prioritize and streamline service delivery to find efficiencies.
- **Allow us to measure our success** through key performance indicators that will hold us accountable and measure performance in strategic priority areas.



Compliance with legislation

Alberta's *Municipal Government Act* requires each municipality to prepare operating and capital budgets for each calendar year. Budgets must include estimated revenues to fund estimated expenditures for operating and maintenance of the municipality.

Alberta's *Municipal Government Act* also legislates the broad purpose of the County:

- Provide good government
- Foster the well-being of the environment
- Provide services, facilitates or other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality
- Develop and maintain safe and viable communities
- Work collaboratively with neighbouring municipalities to plan, deliver, and fund inter-municipal services

There are many other provincial and federal acts that also govern the County's actions, and provide other legislated frameworks to follow. They include, but are not limited to:

- *Local Authorities Election Act*
- *Labour Standards Code*
- *Occupational Health and Safety Act*
- *Freedom of Information and Protection of Privacy Act*
- *Safety Codes Act*
- Quality Management Plan (QMP) - Planning & Development / Fire Discipline
- *Water Act*
- *Environmental Protection and Enhancement Act*
- *Species at Risk Act*
- *Weed Control Act*
- *Animal Health Act*
- *Agriculture Pests Act*
- *Soil Conservation Act*

Providing Quality Services



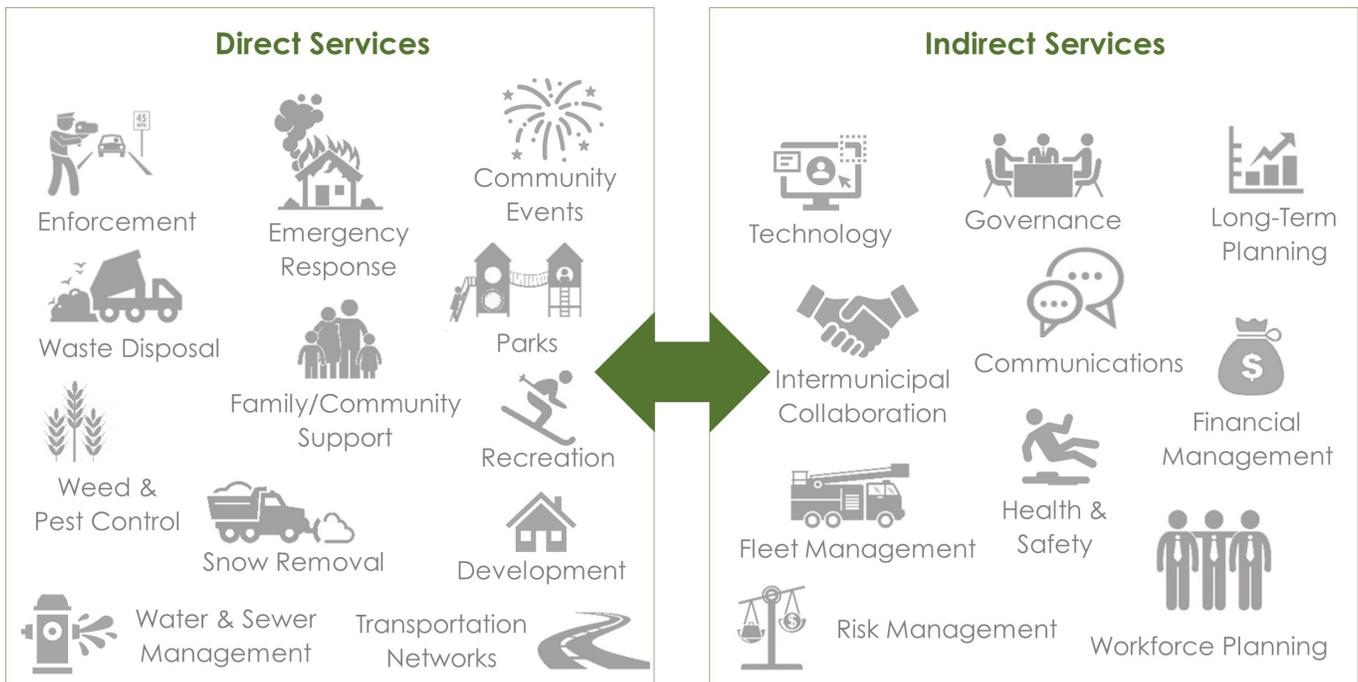
Providing services to Westlock County

Direct and indirect service delivery

Every day the citizens of Westlock County can see their tax dollars hard at work. In a typical day most residents will use clean water from their taps, flush wastewater down their drains, dispose of garbage and recycling for pickup, and drive roads to and from work or school. They may visit a park or cemetery, participate in a community event or borrow a book from the library. They will likely see a fire truck, enforcement vehicle or an ambulance pass by them, and know that if needed, these services are available to keep them safe 24 hours a day, 7 days a week.

These services that citizens can see in their daily lives—“direct services”—are made possible by the less visible, but equally as critical, “indirect services”. Examples of indirect services include support of Council meetings and regional partnerships, technology to enable projects and records management, communications with the public and Council, maintenance of the County’s fleet of vehicles and equipment, planning for development, and the management of staff and financial resources.

General service delivery relies on both direct and indirect services—the connection between them is continuous and neither service type exists without the other.



Serving our hamlets

Westlock County consists of over 3,100 square kilometers and 9 hamlets—Busby, Dapp, Fawcett, Jarvie, Nestow, Pibroch, Pickardville, Tawatinaw, and Vimy. The County provides and supports various services to its hamlets and the County’s population of just over 7,200 people.

Hamlet	Water and Sewer						Fire hall	Transfer station	Waste Collection	Library	School	Community hall	Ball diamonds	Outdoor rink	Arena	Golf course	Playground	Campground	Ski resort
	Lift station	Lagoon	Private sewage disposal system	Regional water line	Piped potable water	Private wells													
Busby		●		●			●	●	●		●	●	●				●		
Dapp	●	●			●				●		●	●	●						
Fawcett		●			●		●		●	●		●	●		●	●	●	●	
Jarvie		●			●		●	●	●	●		●	●				●	●	
Nestow			●			●													
Pibroch		●			●			●	●			●							
Pickardville		●		●			●		●			●	●				●		
Tawatinaw			●			●												●	●
Vimy	●	●		●				●	●			●	●	●			●		

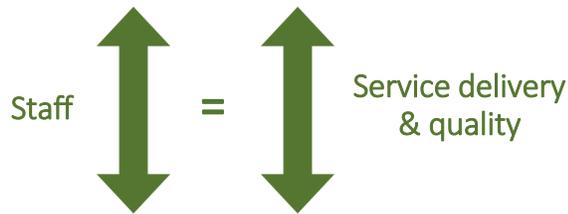
- = County-owned and operated
- = Operated by Hamlet / Library Board
- = Provincially operated
- = Operated by community groups / private business

Service delivery challenges

Every municipality is different and has different needs, resources, priorities, and challenges. While Westlock County strives to provide the highest quality services to its citizens with limited resources, the municipality is not without challenges. A number of internal and external factors influence the County’s ability to offer programs and services.

Municipal service delivery relies heavily on adequate staff, whether it be to clear snow, organize recreational activities or strategize financial solutions. Without adequate staffing, the quality and frequency of services can drop dramatically. Currently, every one employee at Westlock County contributes to over eleven programs or services.

As a result of minimized staff resources, the County must choose to either allocate more staff resources (hire) or reduce and prioritize services to allocate resources to the areas of most importance to the community.



The number of staff directly affects the quality and frequency of service delivery.

Improving the way we do business—successes

The County is committed to continuous improvement to maintain sustainable service delivery and address the challenges it faces. A multi-pronged approach to improvements includes:

Restructuring the organization

Administration has begun restructuring how the County delivers services by designing business units based on the functions they deliver. Restructuring will create efficiencies, streamline leadership, and help the County to improve performance in service areas. This work is ongoing and will continue into 2021.

Addressing workplace culture issues

With eight CAOs in the past seven years, the County's workplace culture has been significantly impacted. Leadership issues have had widespread consequences for staff wellbeing and engagement and the success of County programs. Administration recognizes the need to repair the culture and bring direction, trust and support to staff. Efforts to improve workplace culture are underway and will continue for long-term progress.

Planning for the future

Developing a corporate business planning function for the municipality will support updates to strategic planning, facilitate the development of a formal corporate business plan and corporate values, and bring clarity to the vision for Westlock County. This will help to unite the organization on the path to achieving priorities and allow the County to measure its success.

Examining revenue solutions

The County is facing significant revenue declines with a high level of uncollected taxes, changes to the linear assessment model, shifts in grant funding, and a declining population. Administration has been diligently cutting expenses for the last five years and has reached a point where current service delivery is unsustainable without more financial resources. To offset residential and farm taxes, the County must plan for alternative options for revenue, such as:

- **Economic development and diversification**—New and different industries would bring a more sustainable and diversified tax base and reduce the County's reliance on the oil and gas industry.
- **Development of the industrial park**—Having the services, land and tools available to attract business is critical for expansion.
- **Tourism**—Drawing visitors to the area would strengthen the region's local economy, enhance the community's livability for residents and increase commercial businesses.

Operating Budget Highlights



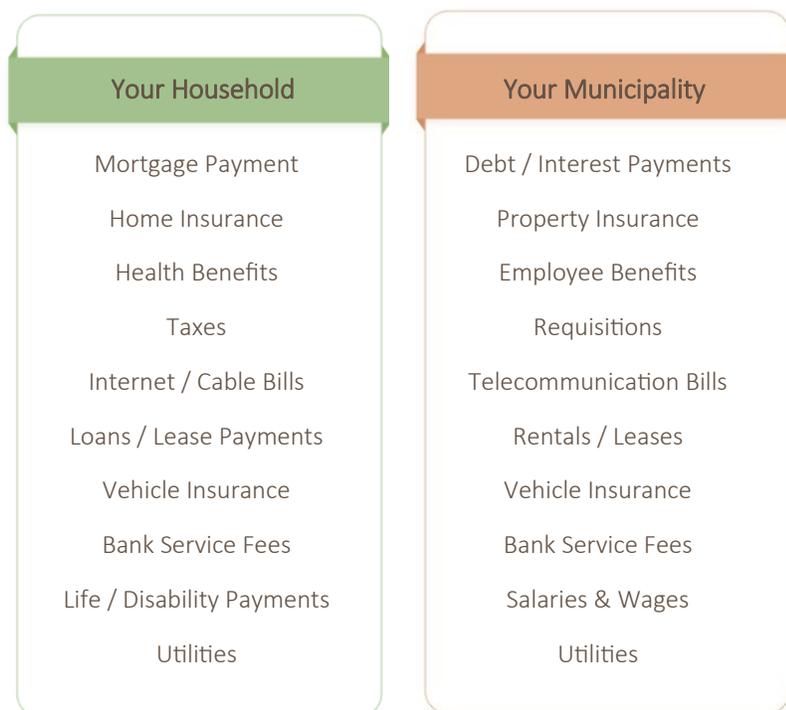
Understanding municipal finance

Westlock County is bound by many different types of legislation and must comply in order to be considered a municipality. The *Municipal Government Act* requires that every municipality adopt an annual budget. The budgeting process allows Westlock County to prioritize projects, programs and service levels based on anticipated revenue and expenses. The 2021 Budget consists of two components—the operating and capital budgets. These documents act as management and planning tools for the delivery of services.

The **Operating Budget** provides for the ongoing daily operations of the municipality in providing essential services. Examples of operating costs include maintenance and repair costs, utilities, salaries and wages, materials and supplies, advertising and marketing, telecommunications, and contracted services.

The **Capital Budget** provides for the development of new infrastructure and investments in the long-term fixed assets required for daily operations and service delivery. Investing in capital is necessary for attracting and supporting growth, increasing productivity, and safeguarding high quality services. Capital includes items such as new water lines or roadway infrastructure, buildings, vehicles, equipment and technology.

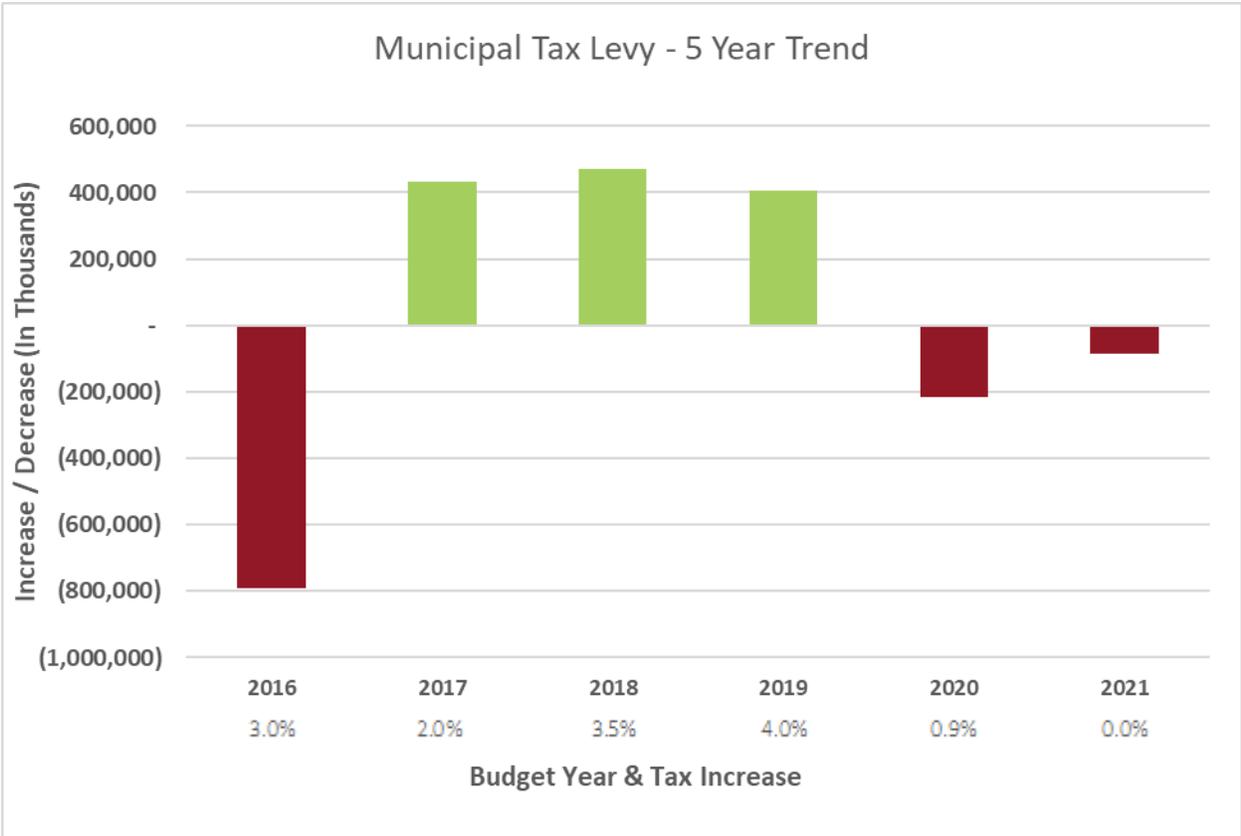
Municipal finance is very similar to managing personal or family finances, but on a much larger scale. Expenses must balance with revenue, and the essentials must be prioritized. In the case of municipal finance, services must be provided to citizens and there are many fixed costs that are influenced by factors outside of the municipality’s control.



History of tax increases

While some may consider the County’s taxes to be high in comparison with other municipalities in the area, it is important to note that municipal finances are complex and each municipality is unique. For example, in terms of revenue, some municipalities have many commercial and industrial properties (non-residential) that contribute to their tax base, which helps to keep residential property taxes low. In terms of expenses, municipalities deliver varying levels and types of services. The costs to clear snow or apply gravel, for example, will be greater for a municipality with an expansive road network compared to a municipality that has fewer roads to maintain.

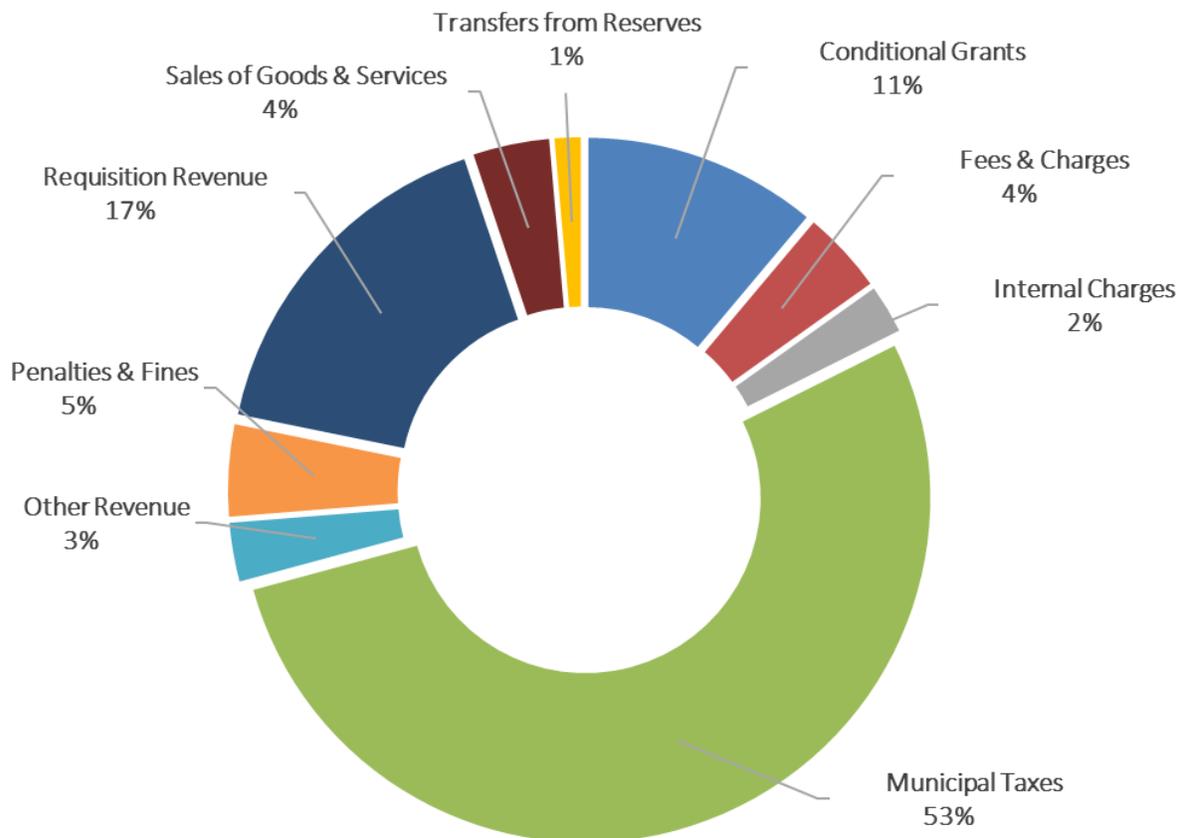
The County’s current tax base is composed of 58% residential/farmland and 42% non-residential. In the last 5 years, the County’s tax increases have not always kept up with the loss in assessment, thus creating decreases to the overall municipal tax levy fund in some years.



In the graph above, the red boxes indicate years where the overall tax levy actually decreased. Keep in mind, school and senior housing costs are downloaded by the Province and added to your tax bill meaning they do not contribute to your municipal services.

Where the money comes from

Revenue generation is always a challenge for municipalities. Westlock County works diligently to balance revenues and costs and provide the highest quality services to citizens, based on the unique nature of the County's funding sources and expenses. The County receives its revenue from several sources, which are listed below.



- **Conditional grants**—Agriculture Service Board and Municipal Sustainability Initiative
- **Fees and charges**—Connections, developments, agreements, disposals, infrastructure charges—water/wastewater, permits, service calls, equipment rentals, recreational fees—campsites/rentals, sewer fees, and waste collection
- **Internal Charges**—Charges between departments for equipment and public works shop
- **Penalties and fines**—Enforcement fines and penalties
- **Municipal tax**—Local improvement taxes (hamlets), drilling tax and property taxes (residential, farmland, commercial, linear, industrial)
- **Requisitions revenue (provincial)**—Designated industrial, schools and senior housing (although this is a revenue, requisitions are directly paid out as an expense)
- **Sales of goods and services**—Sales of goods and services
- **Transfers from reserves**—Transfers from operating and capital reserves
- **Other revenue**—Interest earned, cost recovery, investment interest, loan recovery

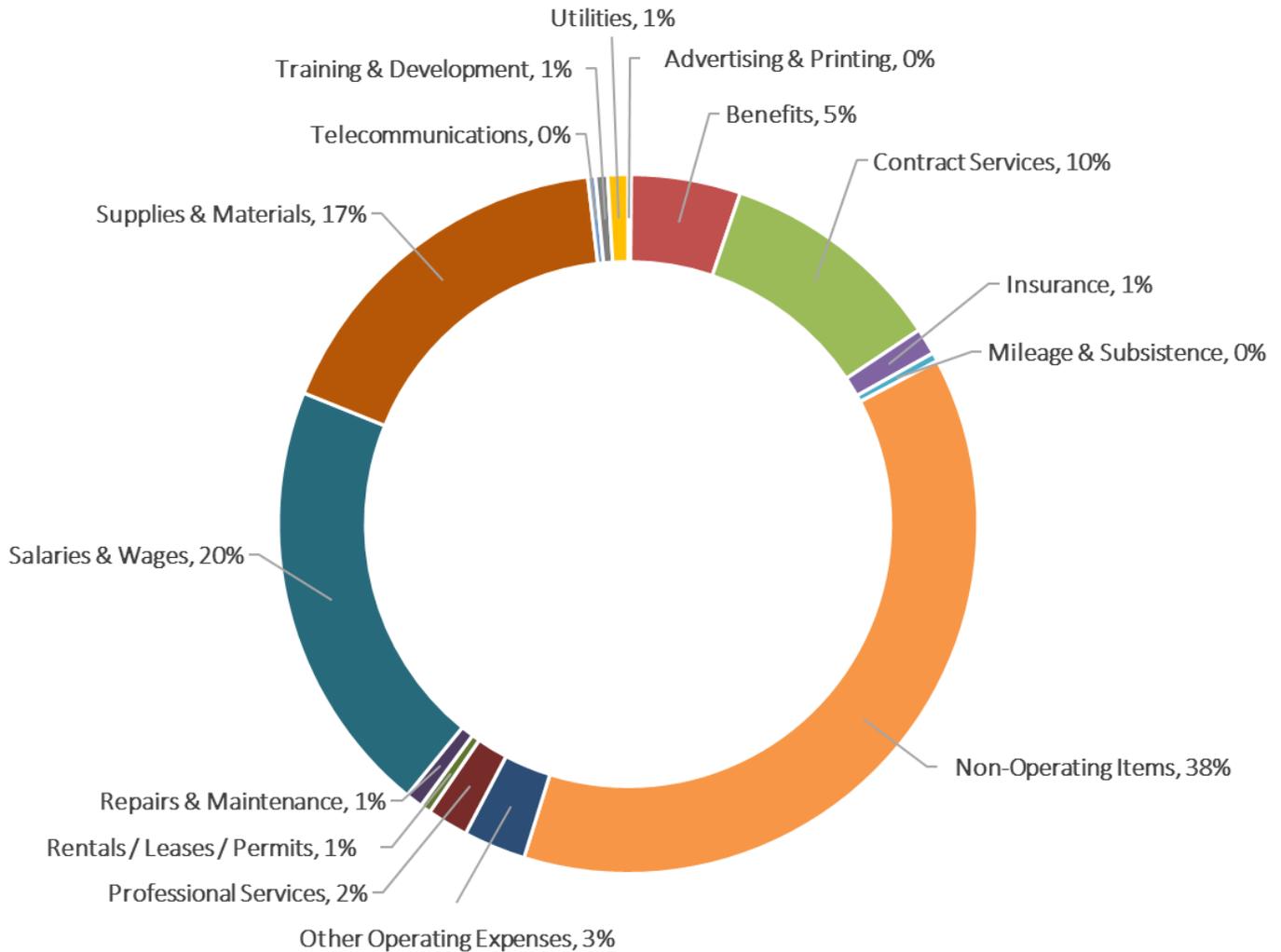
Where the money goes

Operating expenses—directly related to business operations

Operating expenses are directly related to the operation of programs and services. Although the global economy has been in a downturn, the cost of products and supplies continues to rise—this is known as inflation. The municipality’s inflation rate is 1.1%, based on the Municipal Price Index (MPI). The 2021 Budget has included all known inflation factors. Operating expenses include:

- **Advertising and printing**—Advertising, printing, promotional items
- **Benefits**—Employer benefit contributions
- **Contract services**—Contracted and hired services
- **Insurance**—Property and vehicle insurance
- **Mileage and subsistence**—Mileage, meals and accommodation costs associated with travelling
- **Professional services**—External auditing services, assessment services, legal fees and engineering fees
- **Rentals/leases/permits**—Equipment rentals, permits, and leased equipment/property
- **Repairs and maintenance**—Equipment repairs, building and railway maintenance
- **Salaries and wages**—Full-time and part-time salaries/wages and seasonal staff wages
- **Supplies and materials**—Office supplies, postage, maps, signs, personal protective equipment, IT hardware/software, fuels/chemicals/oil/petroleum products, freight, equipment parts, culverts, grader blades, salt materials and gravel usage
- **Telecommunications**—Telephones, radios, cellphones and internet charges
- **Training and development**—Workshops, conferences and memberships
- **Utilities**—Power, gas, water, and sewer/wastewater
- **Other operating expenses**—Other miscellaneous operating expenses including tippage fees, garbage collection, water testing, recycling fees, reclamation activity, special events, debt interest, banking charges and interest, cost of land sales and water resales

Expenses by Type



Non-operating expenses—indirectly related to operations

Other administrative costs that the municipality is faced with are indirectly related to the operation of services and are sometimes uncontrollable. These items are:

- **Bad debt**—Uncollectable taxes
- **Grants and contributions**—Contributions to fire calls, community groups and Town of Westlock
- **Other non-operating items**—Internal charges, debt principle payments, tax rebates and cancellations
- **Other transfers**—Transfers to internal operating, capital purchases and capital fund
- **Transfers to reserves**—Transfers to operating and capital reserves

Our financial position

As mentioned, Westlock County is on an a fixed income and faces many financial obstacles from a revenue perspective including:

Uncollectable taxes

The most concerning issue is the rapid rate of uncollectable taxes—increasing 23% since last year. Over the last four years, \$3.5 million has been lost to uncollectable linear taxes—oil and gas wells and pipelines.

Reserve withdrawals

Historically, the County has withdrawn from reserves when tax increases were not enough to cover budget shortfalls caused by bad debt from uncollectable taxes. Last year alone, \$870,000 was taken from reserves to recover bad debt. These funds have not be replenished and this tactic is not sustainable for solving budget shortfalls.

Reliance on grants

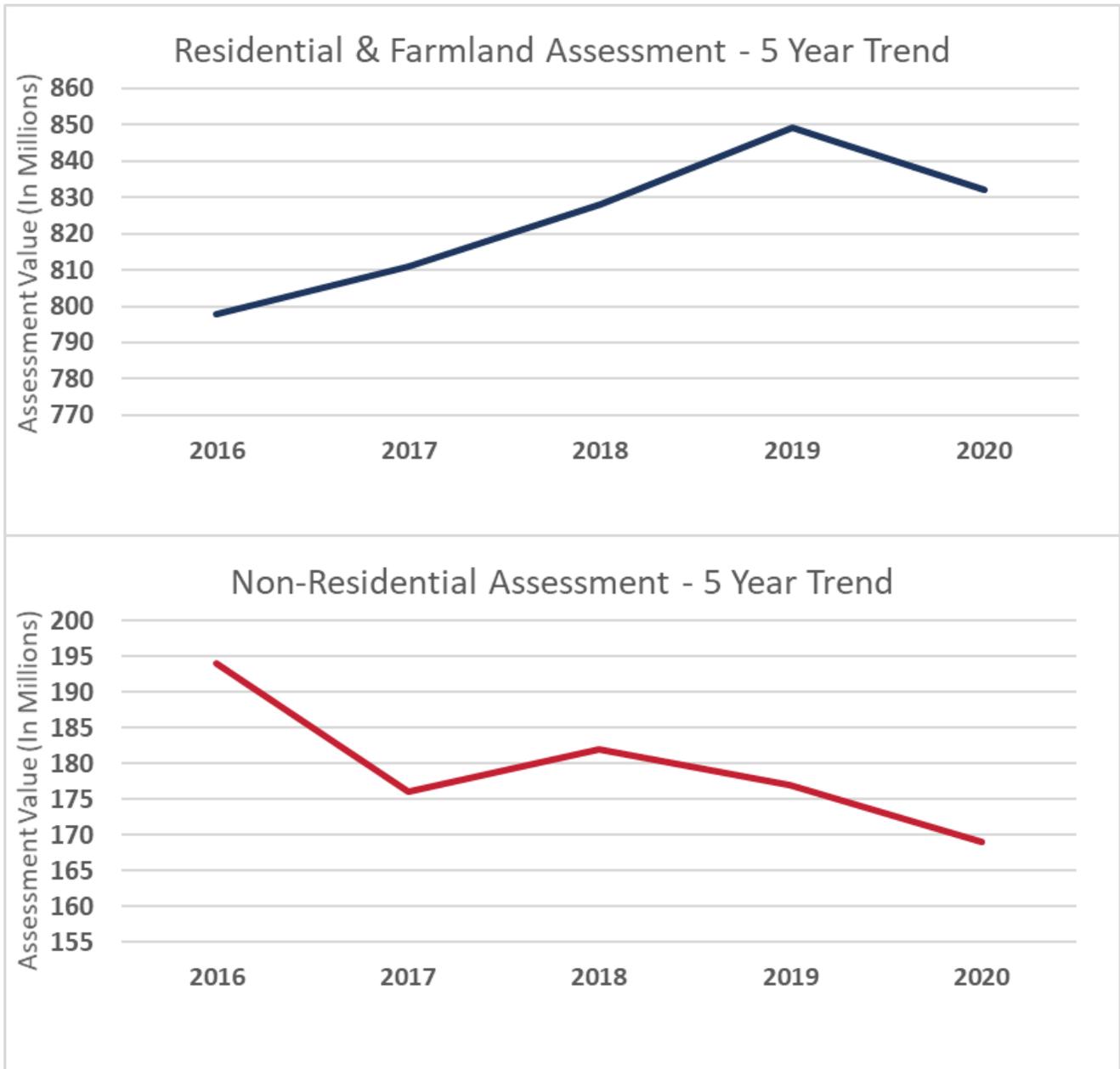
Conditional grants are another major source of revenue but is the most unpredictable. A shift in politics can quickly change how many grants are available and how much is provided to local governments. For example, the Municipal Sustainability Initiative (MSI) will come to an end in 2021-22, and this poses a major risk to the County. Next to property taxes, 11% of the operating budget is funded by conditional grants, as well as some of the capital budget. MSI will be replaced with the Local Government Fiscal Framework. This includes capital funding legislated under the *Local Government Fiscal Framework Act* and non-legislated operating funding. It is currently unclear how this will impact funding for municipalities that have relied on MSI funding since it was introduced in 2007.

Limited economic development

A large portion of the County's tax ratio is agriculture or farmland properties, which have a much lower assessment and thus create less revenue. The largest portion of revenue comes from diversified industries, commercial businesses, linear properties and tourism. With the increasing loss of the linear tax levy, there is a strong need to develop and diversify the County's economy. This type of financial planning would significantly help offset the tax burden for residential and farmland ratepayers.

Loss of assessment

From an assessment perspective, two issues have been gradually developing. First is the decline in population, which is decreasing the overall residential assessment. Since 2011, the population of Westlock County has dropped by almost 8%. Not only does population affect the assessment base but it also affects how much money the County is eligible for in grant funding, as some grants are provided on a per capita basis.



The second issue is the uncertainty of recent changes to the linear assessment model proposed by the Province of Alberta, where the County could see a large reduction in linear revenue. Linear taxes are revenues collected from companies that have linear properties in the County, such as oil and gas wells and pipelines, and power generation, power lines and utility lines.

2021 Municipal Operating Budget

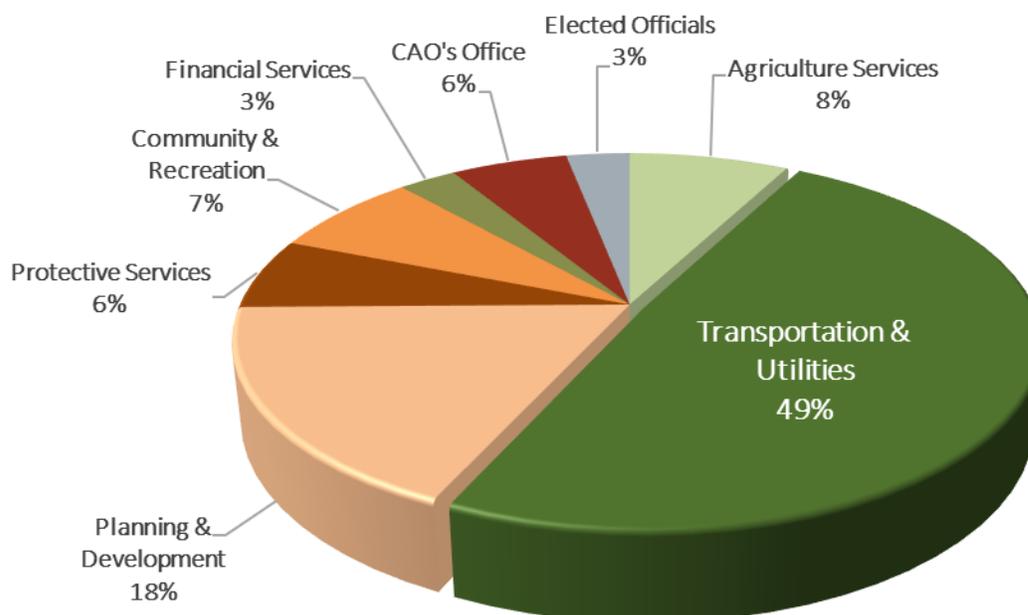
	2020 Budget	2021 Budget	\$ Change	Notes	3 year Operating Forecast		
					2022	2023	2024
Revenue							
Conditional Grants	1,992,073	2,331,034	338,961	1	1,631,395	1,634,306	1,637,229
Fees & Charges	757,016	848,197	91,181	2	870,631	797,559	807,716
Internal Charges	551,114	513,517	(37,597)	3	515,920	516,997	528,000
Municipal Taxes	41,120	6,120	(35,000)	4	6,120	6,120	6,120
Other Revenue	709,313	614,313	(95,000)	5	614,313	586,289	586,289
Penalties & Fines	587,200	939,300	352,100	6	941,900	941,900	946,900
Requisition Revenue	3,422,590	3,494,920	72,330	7	3,564,620	3,635,710	3,708,225
Sales of Goods & Services	787,767	785,413	(2,354)		797,973	807,781	829,843
Transfers from Reserves	1,570,802	291,507	(1,279,295)	8	146,600	127,050	122,500
Total Revenue	10,418,995	9,824,321	(594,674)		9,089,472	9,053,712	9,172,822
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	37,250	30,948	(6,302)		29,331	29,680	28,105
Benefits	1,079,013	1,060,419	(18,594)		1,089,856	1,106,644	1,112,778
Contract Services	1,966,407	2,190,191	223,784	9	2,382,277	2,398,317	2,447,511
Insurance	197,561	257,662	60,101	10	295,514	339,065	63,375
Mileage & Subsistence	78,612	85,473	6,861		85,130	84,315	88,085
Other Operating Expenses	755,813	604,922	(150,891)	11	621,793	616,405	463,379
Professional Services	624,500	398,970	(225,530)	12	340,675	317,325	312,475
Rentals / Leases / Permits	107,287	104,944	(2,343)		100,507	106,911	97,440
Repairs & Maintenance	206,060	164,587	(41,473)	13	168,042	162,538	166,856
Salaries & Wages	4,344,564	4,247,745	(96,819)	14	4,339,541	4,347,415	4,377,968
Supplies & Materials	3,824,099	3,576,315	(247,784)	15	3,924,766	4,005,495	4,095,881
Telecommunications	84,052	74,212	(9,840)		74,714	70,791	74,039
Training & Development	122,560	116,752	(5,808)		113,420	112,181	115,485
Utilities	188,928	195,718	6,790		199,219	202,945	209,865
<i>Non-Operating Expenses</i>							
Bad Debt Expense	1,007,000	749,000	(258,000)	16	749,000	749,000	749,000
Grants & Contributions	466,592	432,560	(34,032)	17	410,989	415,984	421,081
Other Non-Operating Items	1,842,362	1,822,762	(19,600)	18	1,819,506	1,802,181	1,501,804
Other Transfers	361,020	484,534	123,514	19	493,498	502,660	504,216
Requisitions Paid	3,422,590	3,494,920	72,330	20	3,564,620	3,635,710	3,708,225
Transfers to Reserves	954,053	895,473	(58,580)	21	921,953	927,553	906,930
Total Expenses	21,670,322	20,988,107	(682,216)		21,724,351	21,933,115	21,444,498
Net Cost of Service	(11,251,327)	(11,163,786)	87,541		(12,634,879)	(12,879,403)	(12,271,676)

See notes explained on next page

2021 Municipal Operating Budget

- Note 1:** Additional grants were available from various government agencies (MOST grant.)
- Note 2:** Increase to charges for hamlet solid waste and increase for recreation fees.
- Note 3:** Reduction of internal charges between public works shop, agriculture services and transportation departments.
- Note 4:** Reduced well-drilling activity.
- Note 5:** Decrease in interest income.
- Note 6:** Recommended increases to bylaw enforcement and additional road enforcement expected with additional Community Peace Officer.
- Note 7:** Revenue for school levy, seniors foundation and DIP requisition increased (provincial mandate). However, this revenue comes out directly as an expense.
- Note 8:** Decrease transfer from reserve to fund bad debt expense.
- Note 9:** New water plant contract with Town of Westlock, gravel program contracts and RCMP contract increase.
- Note 10:** Anticipating insurance premium to increase 25% from provider.
- Note 11:** Includes closure of 2 transfer sites (policy change).
- Note 12:** Various professional services reduced including funding for recreation master plan, ICF's, assessment and legal fees.
- Note 13:** Reduced from several areas including facility maintenance budget and removal of one-time items.
- Note 14:** Service review caused organizational restructuring and shuffling of positions in departments / divisions.
- Note 15:** Reduction to gravel program and closure of 2 transfer sites (policy change).
- Note 16:** Reduction due to less oil and gas current taxes levied year-to-date.
- Note 17:** Decrease to annual contributions to community grants due less submissions and policy criteria.
- Note 18:** Decrease in internal charges between departments for equipment in Transportation & Utilities department.
- Note 19:** Increase for minimal requirement for disaster funds in order to qualify for provincial aid.
- Note 20:** Expense for school levy, seniors foundation and DIP requisition (provincial mandate).
- Note 21:** Less transfers to reserve for interest and gravel royalty as well as capital reserve reduced transfer to capital reserves with new contract for water plants.

Spending by Business Unit



Balancing the budget

After analyzing all revenue challenges, the history of tax increases, current service expectations and fixed expenditures, it is clear that the County's current business operations are not sustainable without modifications. In order to balance the budget, the 2021 budget year will utilize the following:

- **One-time grant**—The one-time Municipal Operating Support Transfer (MOST) grant from the Province will cover the bad debt expense for 2021 of \$742,000. However, it is important to note that this is a temporary fix. With the County losing about \$1 million a year from uncollectable taxes, the issue will continue in coming budget years.
- **Service reductions**—Both gravel and waste disposal are the highest expense items. Extensive cuts have been made over the last five years in other areas of the budget, and have exhausted opportunities for sustainable savings. Gravel and waste disposal must now be examined for potential reductions—this budget includes policy changes (listed on page 29).
- **Farmland millrate change**—The farmland millrate has not been reviewed in several years. With the loss of linear assessment, options had to be explored to recovery some of this loss. It is recommended that the farmland millrate be adjusted in the spring during the final assessment review.

Understanding your tax bill

Taxes are an essential revenue source for the County. The 2021 Budget was approved on an interim basis with a 0% tax increase.



Based on an average assessment of \$436,500, the average residential property owner will pay approximately **\$185** per month.



Based on an average assessment of \$24,000, the average to farmland property owner will pay approximately **\$60** per month.

Value for your dollar

It can be difficult for ratepayers to understand the array of essential services that are provided to them through their property taxes, 24/7, all year long. To put it into perspective, the average household will spend \$185 per month on taxes. When compared to other household expenses for a similar amount, it can become clearer to see the value of property taxes:

\$185 gets the average household:

Monthly property taxes, which include:

- Safe roads
- Bylaw enforcement and fire and emergency services
- Maintenance of parks, campgrounds, ski hill and other recreation facilities
- Family and community supports
- Flood, dust and weed control
- Waste and recyclables collection
- Snow removal
- Special events and activities
- And more...

OR

Monthly family cell phone bill

Monthly cable television + internet

Dinner and a movie for a family of 4

One week of groceries

Monthly heating—gas + electric

2021 policy changes

As local government is seen as a public entity, municipalities are not often seen as a business. In reality, municipalities are very much a large business and should conduct themselves as such to ensure a sustainable future. It is important to view services in light of overall benefits to citizens. In some cases, where a select few people use a program or service, subsidizing through taxes may add a significant burden to the entire population to cover costs for a small portion of the population. These cases must be examined.

Over the course of the summer, the County conducted a service efficiency and priority review. The review analyzed the County's current financial position, costs of certain services, and revenue sources. It was determined that there is a high volume of services that are being subsidized and it was recommended that the County take more of a user-pay model approach to certain services.

To achieve a 0% tax increase, the following policy changes will be reviewed and implemented through the Governance Priority Committee.

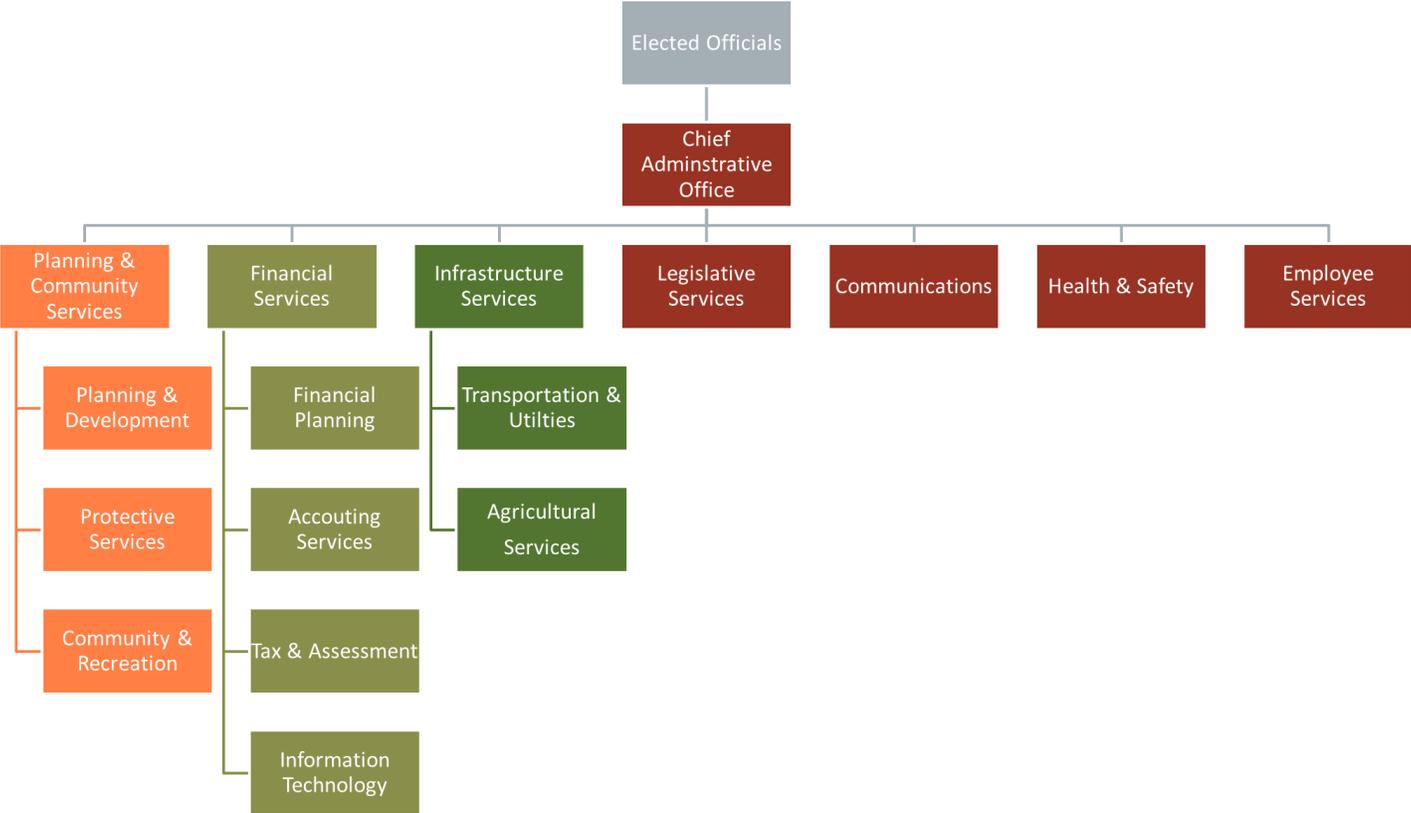
Program / Service	Policy Decision
Spruce Island Quad Park	Close the park
Echo Lake Campground	Close the campground and sell the property
Long Island Lake Campground	Implement fee of \$20.00/vehicle up to 6 people
Dog Control	Implement fee of \$150.00/offense for dogs at large
Hamlet Collection	Increase hamlet collect fees to \$15/unit/month
Waste Disposal	Remove subsidy of tippage costs for landfill
Road Enforcement	Discontinue allowing overweight loads during road bans
Water/Wastewater	Increase rates by 3% year over year to recover inflation costs
Gravel Program	Reduce service level to 460 km maintenance annually

Divisional Operating Budgets

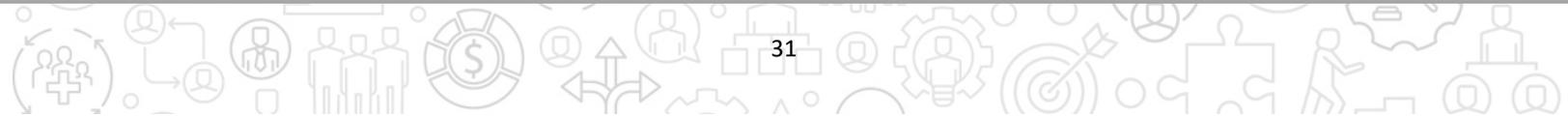


How do we carry out services

Westlock County’s Administration is composed of four divisions—Infrastructure Services, Planning and Community Services, Financial Services and the Office of the Chief Administrative Officer. Each division has several business units or departments working together to deliver quality services to the best ability of the organizations’ capacity.



Current FTE Count = 47

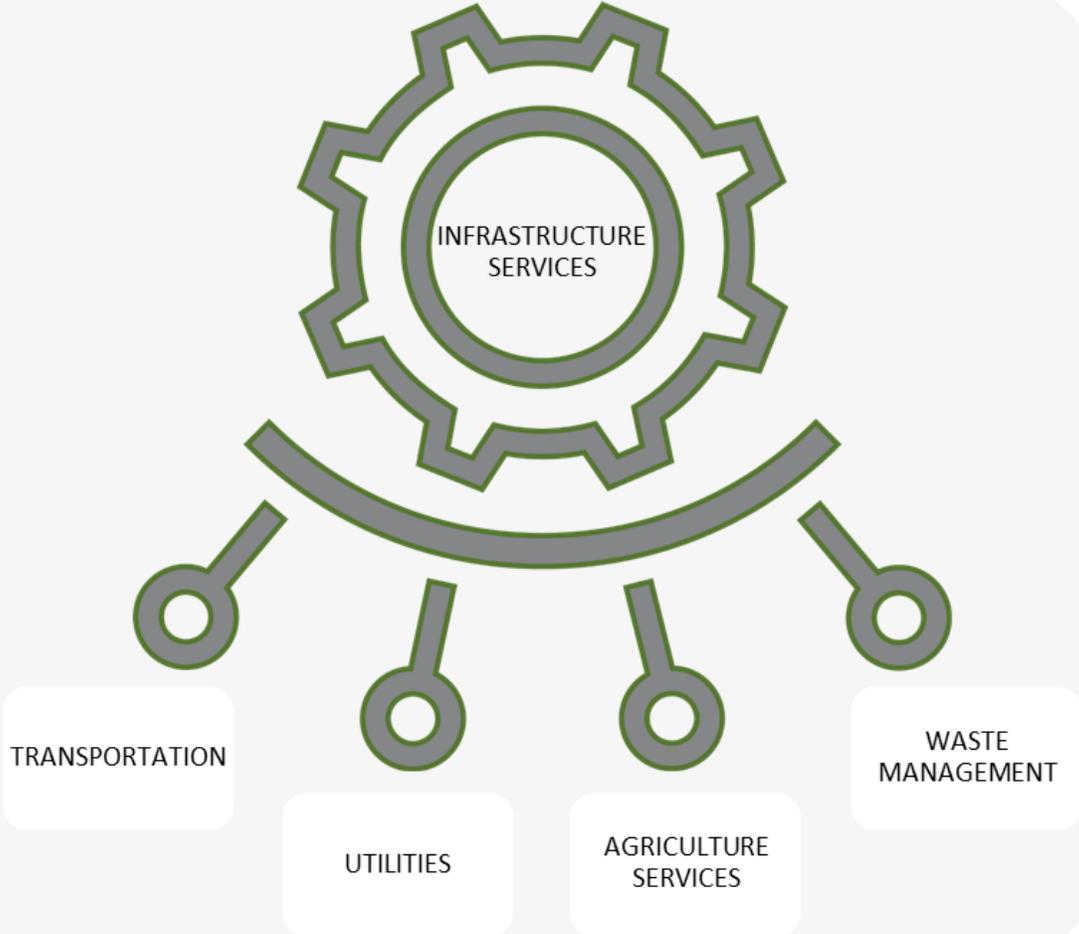


Infrastructure Services Division



Bringing value through Infrastructure Services Division

The Infrastructure Services Division is charged with maintaining and preserving the valuable infrastructure and agricultural assets that Westlock County citizens rely on every day, such as roads, lands, buildings, parks, watermains, vehicles, and equipment. **Transportation & Utilities** provides effective planning and implementation of maintenance and asset management programs, including road maintenance and construction, flood control, bridge maintenance, ditching, signage, snow removal, fleet maintenance and dust control. The business unit partners with regional agencies for utility services and ensures that utility infrastructure and processes meet current standards and practices to reliably deliver an adequate supply of quality water. **Agriculture Services** promotes, protects, and enhances agriculture and rural living in the County through vegetation management, drainage activities, maintenance of cemeteries, **waste management**, environmental programs, and pest control. Agriculture Services aims to enrich the lives of citizens and preserve the lifestyle that attracts people to the County. Care and proper planning for the built and natural environment in a responsible manner will ensure that essential services—safe roads, clean drinking water, waste management and agricultural supports—are available for generations to come.



Operating Budget—Infrastructure Services Division

	2020	2021	\$	Notes	3 Year Operating Forecast		
	Budget	Budget	Change		2022	2023	2024
Revenue							
Conditional Grants	1,763,329	1,394,415	(368,914)	1	1,422,866	1,425,777	1,428,700
Fees & Charges	387,758	493,193	105,435	2	498,062	503,082	508,566
Internal Charges	551,114	513,517	(37,597)		515,920	516,997	528,000
Municipal Taxes	6,120	6,120	-		6,120	6,120	6,120
Penalties & Fines	2,400	2,550	150		2,550	2,550	2,550
Sales of Goods & Services	597,562	603,613	6,051		615,873	625,381	647,113
Transfers from Reserves	430,750	100,000	(330,750)		25,000	25,000	25,000
Revenue	3,739,033	3,113,408	(625,625)		3,086,391	3,104,907	3,146,049
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	10,950	5,200	(5,750)		5,200	5,200	5,850
Benefits	671,726	615,019	(56,707)	4	629,583	637,802	639,606
Contract Services	1,402,177	1,442,881	40,704	5	1,512,787	1,517,817	1,567,680
Insurance	108,855	131,300	22,445	6	150,725	173,065	2,300
Mileage & Subsistence	7,000	9,650	2,650		11,050	9,650	11,175
Other Operating Expenses	707,648	564,181	(143,467)	7	586,516	594,458	454,779
Professional Services	128,000	133,070	5,070		58,660	59,270	50,800
Rentals / Leases / Permits	30,830	33,850	3,020		34,100	35,275	36,780
Repairs & Maintenance	96,435	78,800	(17,635)		84,075	79,760	87,800
Salaries & Wages	2,665,500	2,478,657	(186,843)	8	2,520,893	2,477,348	2,487,875
Supplies & Materials	3,368,304	3,016,443	(351,861)	9	3,452,815	3,532,412	3,633,749
Telecommunications	24,892	17,175	(7,717)		14,255	13,355	14,435
Training & Development	26,300	21,065	(5,235)		23,210	21,715	23,890
Utilities	129,735	133,830	4,095		135,694	138,500	146,500
<i>Non-Operating Expenses</i>							
Bad Debt Expense	5,000	5,000	-		5,000	5,000	5,000
Grants & Contributions	14,500	14,500	-		14,500	14,500	14,500
Other Non-Operating Items	1,117,174	1,096,761	(20,413)	10	1,101,893	1,107,157	1,005,235
Other Transfers	25,020	25,320	300		25,620	25,944	27,500
Transfers to Reserves	651,150	641,000	(10,150)	11	653,500	663,500	691,000
Total Expenses	11,191,195	10,463,702	(727,493)		11,020,076	11,111,728	10,906,454
Net Cost of Service	(7,452,162)	(7,350,294)	101,868		(7,933,685)	(8,006,821)	(7,760,405)

Note 1: Reduction in agriculture grants and MSI funding for gravel.

Note 2: Escalation of water and wastewater fees (policy change).

Note 3: Reduction to road maintenance reserve (2020 budget used 2019 surplus funds).

Note 4: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 5: Increase due to the new contract with the Town of Westlock to provide water plant management and contract costs for gravel crushing.

Note 6: Insurance premium expected to increase 25% from provider.

Note 7: Includes closure of 2 transfer sites (policy change).

Note 8: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 9: Reduction to gravel program (policy change).

Note 10: Decrease in internal charges between departments for equipment in Transportation & Utilities department.

Note 11: Transfers to capital reserve reduced due to the Town of Westlock taking over responsibility of the water plants.

Budget by Program—Infrastructure Services Division

Agriculture Services & Solid Waste Services

Program / Service	Revenue	Expense	Net Cost
Agriculture Services	137,200	426,591	289,391
Cemetery Maintenance	-	12,500	12,500
Hamlet Solid Waste Collection	235,920	451,676	215,756
Pest & Beaver Control	4,000	86,320	82,320
Waste Transfer Stations	-	104,848	104,848
Weed Control	-	252,904	252,904
Weed Inspections	-	29,949	29,949

Transportation & Utility Services

Program / Service	Revenue	Expense	Net Cost
Bridges	-	106,618	106,618
Brushing	-	102,867	102,867
Culverts	-	205,439	205,439
Drainage	-	51,595	51,595
Grading	4,000	2,073,480	2,069,480
Gravel Program	1,290,000	2,724,589	1,434,589
Hamlet Street Cleaning	-	161,851	161,851
Municipal Airport	126,965	182,681	55,716
Other Dust Control	-	21,735	21,735
Public Works Shop	222,650	755,677	533,027
Residential Dust Control	62,000	85,457	23,457
Road Maintenance	-	945,014	945,014
Roadside Mowing	-	17,481	17,481
Transportation General	302,867	1,014,319	711,452
Wastewater Services	115,538	76,776	38,762
Water Services	609,668	570,736	38,932

Agriculture Services Core Functions

General Administration

- Liaise with the Agricultural Services Board
- Partner with producers, government agencies, and the public
- Educational programming partnerships
- Contract management
- Agriculture research and policy development

Weed Control and Inspection

- Weed Spraying Program
- Restricted Weed Program
- Weed inspections
- Tansy Incentive Program
- Weed notice enforcement

Pest Control

- Beaver control
- Club Root Program
- Alberta Agriculture Surveys
- Coyote predation
- Education and awareness

Mowing

- Mowing of County properties—hamlets, transfer stations, lagoons, recreation property, administration building

Soil Conservation

- Highway 2 Conservation (H2C) partnership
- Environmentally sustainable programming—farm calls, workshops, extension activities, environmental farm plans and CAP funding

Solid Waste Management

- Bi-weekly waste collection in 7 hamlets
- Operation of four waste transfer stations
- Collection of household waste and recyclables from permit holders
- Waste disposal
- Leachate removal
- Transport of recyclables
- Contracted services

Cemetery Services

- Administration
- Registry
- Grounds maintenance



Budgeting for quality service delivery

Successes—Agriculture Services has made recent achievements

Pest control fees cost recovery

Fees for trapping and blasting for the Beaver Control Program were recently raised and now more accurately reflect actual costs of the program.

Weed Control Program efficiencies

The County implements various weed control programs that support and complement each other and enable superior control of weeds for farmers and the County. The County is mandated to follow and enforce the *Alberta Weed Control Act*, and the programs developed are reflective of the Act and local needs. Current programming is very proactive in the control of noxious weeds. The Roadside Spray Program keeps the right-of-ways clean, prevents spread onto private land and keeps clear lines of sight for the travelling public. The Fenceline Program works in conjunction with the Roadside Spray Program, allowing the County and landowners to work together to prevent weed spread. The Tansy Incentive Program provides an opportunity for landowners to control Tansy on their properties, as Tansy is the most prominent weed in the municipality. The Weed Inspection Program works cooperatively with residents by providing assistance, weed identification, and options for weed control.

Highway 2 Conservation partnership

Agriculture Services will continue to develop its partnership with Highway 2 Conservation, a group of four regional municipalities working together for soil conservation. The organization offers field tours and workshops and assists agricultural producers in acquiring grant funding for improvements.

Challenges—Agriculture Services works to maintain service delivery

Reduction in agriculture grant funding

The provincial Agricultural Service Board Grant Program allocation to the County was reduced by 25% in 2020. This loss in funding will directly impact Agriculture Services' capacity to deliver services.

Limited technology

Agriculture Services consistently experiences issues with the current Geographic Information System. The County has purchased only the basic model and is missing critical features required to create efficiencies to fully support operations. Additionally, despite investment in a state-of-the-art spray system, the spray trucks used for the Weed Control Program lack technology required to track data for legislative purposes. Records are kept on paper and it is not possible to properly document mis-sprays. One tablet is used for weed control purposes and it frequently experiences delays and inaccurate information.

Fleet replacements

A number of Agriculture Services' fleet units are past their lifecycle and require replacement. Several are failing or are not road-worthy or repairable, and often cause interruptions in service.

Landfill issues create risk

Leachate removal from the old landfill poses significant safety and liability risks. The scope of the issue lies outside of Agriculture Services' staff authorization and experience. A specialized contractor is required to address the issue responsibly.

Increased waste volume at transfer sites

Historically, Westlock County covered the cost of up to 8,000 kg in waste for every permit holder disposing waste at the Regional Landfill scale. This amount was reduced to 4,000 kg in 2020. As a result, a higher volume of waste is being delivered to the County's rural transfer sites. These sites are not built to accommodate the current volume of waste and issues are arising.

Poor cemetery records management

The County has taken over the operation of four cemeteries that were previously run by other groups. Major organization and research is required to fully understand the placement and ownership of gravesites, registries of internments, unutilized plots, and cemetery layouts. This information is vital to maintain the history and longevity of the County's cemeteries.

Opportunities—Agriculture Services seeks improvement

Mapping for cemeteries

Utilizing a drone to capture image overlays that can be combined with a mapping system of the County's cemeteries will help to define plot areas and assist with the long-term maintenance and operations of cemeteries. Registry information collection can be completed in-house.

ALUS partnership

ALUS Canada is a national charitable organization that supports the delivery of the ALUS (Alternative Land Use Services) program through which farmers and ranchers can use their land in an alternative way to produce ecosystem services that benefit Canadians, such as cleaner water, flood mitigation, carbon sequestration, and species at risk habitat. Agriculture Services has initiated the process to become an ALUS partner to bring this beneficial program to the County.

Focus for the year ahead—Agriculture Services strives for quality programs

Review of solid waste management

Strategic solutions to deal with increased waste volumes is a priority. Agriculture Services will focus on restructuring programs for waste disposal at transfer sites and explore options for waste collection.

Continued support of pest program

The County relies heavily on staffing resources to maintain the Beaver Control Program and minimize drainage issues. The current contractor works strenuous hours from spring to fall and resolves many issues to protect County infrastructure. It is imperative to continue this preventative maintenance program into the future.

Management of vegetation program

In recent years, the amount of roadside weed complaints have been very low—this can be attributed to successful herbicide spray programs. This level of service for vegetation management must be maintained to ensure that the public continues to see lowered weed counts. Agriculture Services is focusing on restructuring the program through a service level adjustment and reduction of spot spraying.

Rental equipment fleet

Agriculture Services maintains rental equipment that ensures adequate landowner involvement is possible in order to support ratepayers and keep costs of essential Agriculture Services programs down.

Mitigate landfill leachate issues

The County recognizes the severity and risk of the landfill and will be strategizing solutions to move forward with mitigating the issue.

Operating Budget—Agriculture Services & Solid Waste Services

	2020	2021	\$	Notes	3 year Operating Forecast		
	Budget	Budget			Change	2022	2023
Revenue							
Conditional Grants	168,000	123,700	(44,300)	1	123,700	123,700	123,700
Fees & Charges	111,078	214,920	103,842	2	214,920	214,920	214,920
Sales of Goods & Services	27,650	16,100	(11,550)	3	16,100	16,100	16,100
Transfers from Reserves	25,000	25,000	-		25,000	25,000	25,000
Total Revenue	331,728	379,720	47,992		379,720	379,720	379,720
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	3,300	1,700	(1,600)		1,700	1,700	1,700
Benefits	83,390	82,843	(547)		85,679	87,649	88,545
Contract Services	164,541	174,155	9,614	4	154,290	156,930	169,670
Insurance	8,117	13,800	5,683		15,755	17,990	1,100
Mileage & Subsistence	3,550	6,200	2,650		7,600	6,200	7,000
Other Operating Expenses	520,904	385,375	(135,529)	5	408,317	417,390	419,561
Rentals / Leases / Permits	22,650	25,850	3,200		26,090	27,250	27,510
Repairs & Maintenance	12,735	8,100	(4,635)		12,875	8,100	7,300
Salaries & Wages	367,191	360,205	(6,986)	6	370,792	381,725	383,117
Supplies & Materials	250,107	224,980	(25,127)	7	231,200	236,843	256,134
Telecommunications	2,135	3,955	1,820		3,135	2,035	2,035
Training & Development	7,400	6,105	(1,295)		7,180	6,655	6,975
Utilities	3,500	3,600	100		3,700	3,800	3,900
<i>Non-Operating Expenses</i>							
Bad Debt Expense	3,000	3,000	-		3,000	3,000	3,000
Grants & Contributions	14,500	14,500	-		14,500	14,500	14,500
Other Non-Operating Items	20,600	20,000	(600)		20,000	20,000	21,000
Transfers to Reserves	50,650	50,500	(150)		50,500	50,500	45,000
Total Expenses	1,538,270	1,384,868	(153,402)		1,416,313	1,442,267	1,458,047
Net Cost of Service	(1,206,542)	(1,005,148)	201,394		(1,036,593)	(1,062,547)	(1,078,327)

Note 1: Reduction in funds from grant from Agriculture Service Board.

Note 2: New rate of \$15/unit/month for hamlet solid waste collection in order to achieve cost recovery (policy change).

Note 3: The fees for private land trapping and blasting were increased last year. After a year of measurement, the revenue was decreased to reflect the actuals.

Note 4: Decrease in hired equipment for burn pit clean-up at Pibroch, Busby, Jarvie and Vimy.

Note 5: Includes closure of 2 transfer sites (policy change).

Note 6: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 7: Includes closure of 2 transfer sites (policy change) and cost sharing of the general admin office copier.



Transportation & Utilities Core Functions

General Administration

- Project management for capital infrastructure and road projects
- Liaise with provincial government and non-government and regional partners
- Provide support for grant applications and reporting
- Contract management
- Research and policy development
- Asset management program

Road Construction & Maintenance

- Road construction
- Graveling
- Grading
- Shoulder pulls
- Dust control
- Snow removal
- Signage
- Road bans, vehicle permitting and road use agreements

Ditch Maintenance

- Culvert maintenance and replacement
- Drainage
- Brushing

Bridge Maintenance

- Annual bridge inspections
- Sign, decking and guardrail maintenance
- 5 year program rotation

Hamlet Streets

- Street maintenance
- Street lighting utility costs
- Drainage
- Snow removal
- Alley maintenance

Public Works Shop

- Shop/yard maintenance
- Fleet maintenance and replacement
- Commercial Vehicle Inspection Program compliance
- Parts inventory
- Fabrication
- Fleet maintenance

Water Services

- Delivery of safe and reliable drinking water
- Water distribution system inspection, maintenance, and repair
- 24-hour on-call emergency service
- 24-hour SCADA monitoring
- Monthly water meter reads
- Water testing, monitoring, and reporting
- General building maintenance
- Partnership with Westlock Regional Water Commission

Wastewater Services

- Operation and maintenance of wastewater collection, treatment, and disposal system
- 24-hour on-call emergency service
- Wastewater testing, monitoring, and reporting
- Safe effluent discharge

Westlock Municipal Airport

- Airport operations
- Maintenance of runway, taxiway, terminal building, and outbuilding
- Mowing
- Snow removal



Budgeting for quality service delivery

Successes—Transportation & Utilities has made recent achievements

Asset management

All bridges, roads and equipment have been captured through the asset management program. A Capital Plan has been developed for both equipment and bridges, and a rural road study guides road asset management.

Service levels clearly defined for Gravel Road Maintenance Program

The Gravel Road Maintenance Program has been clearly defined by the Road Maintenance Policy (#8.06 and 8.12), promoting success of the program as a high service priority.

Water meter reading equipment upgrades

Water meter reading equipment has been upgraded to support more efficient and accurate water meter reads and billing.

Water plant improvements

The Jarvie Water Treatment Plant has been completely overhauled and upgraded, and a truck fill will be installed at the Fawcett Water Treatment Plant. These improvements will allow Transportation & Utilities to focus more on other utility assets that require attention.

Regionalized water treatment service

The County has successfully shifted to regionalized water treatment—the Westlock Regional Water Service Commission is responsible for all aspects of water treatment, leaving Westlock County solely responsible for water distribution. This regionalized system will enhance water quality, streamline distribution and allow the County to improve upon water distribution service.

Challenges—Transportation & Utilities works to maintain service delivery

Aging infrastructure

Aging infrastructure requires more work and maintenance to maintain service levels. Due to age and limited resources for asset management over the years, it is estimated that there is an accumulated 30 to 35 years' worth of road maintenance to complete.

Weather impacts

Several years of very wet weather has created a significant impact on the gravel application season. Not only does the season start later, but graders must detour around wet roads and spend less time with the blade down. This has resulted in a continuous “catch-up” approach to meeting graveling targets.

Fleet units require replacement

Several units within the Transportation & Utilities fleet of vehicles and equipment are at the end of their lifecycle and require replacement. Safe and reliable equipment is critical for the delivery of programs, such as gravel road and hamlet road maintenance, snow and ice removal, drainage and ditching, culverts and bridges, and dust control.

Limited direction on service levels

Service levels for a number of programs are not defined through policy. This includes services related to ditch maintenance—drainage, culverts and brushing—as well as sidewalks, bridges, and street top material for hamlet streets. Service levels are often defined by historical averages and internal capacity, not policy.

Aging water license projects

Due to age and excessive moisture over the last few years, water license and drainage projects that were completed in the 1960s through 1980s are not operating properly and are adding to drainage issues in the County. Most of the license information for these projects has been archived with the Province and are not easily accessible. Investigating these projects requires a significant amount of time.

Overweight loads damaging infrastructure

Overweight loads are damaging infrastructure and resulting in increased maintenance costs. Historically, the County has been lenient on overweight enforcement and now recognizes that a solution for more sustainable preventative road maintenance is necessary.

Unpredictable repairs

The unpredictable nature of water distribution system repairs makes them extremely difficult to budget for.

Cost of supplies and fuel

Inflation and the fluctuating value of the Canadian dollar impacts the cost of supplies and fuel, making it difficult to minimize costs for service delivery.

Opportunities—Transportation & Utilities seeks improvement

Further define service levels

Strategic analysis and policy development to further define service levels for all transportation programs will provide the guidance necessary to create efficiencies in budgeting and operations.

Strategize drainage developments

Managing ratepayer participation in the Ditch Disturbance Policy and monitoring the process for private drainage projects will support ratepayers, enhance drainage in the County, reduce costs and prevent unauthorized drainage projects.

Focus for the year ahead—Transportation & Utilities strives for quality programs

Continued maintenance

Transportation & Utilities is in maintenance mode for asset management and will continue to strive to meet service levels for roads, bridges, and ditches.

Protection of roadway infrastructure

Implementing road bans during wet and poor conditions, as well as changes to road enforcement, will ensure that the County protects the lifecycle of roadway infrastructure. This strategic step will create significant cost savings in the long term.

Proactive maintenance of the water distribution system

Continuing to establish more proactive maintenance of the water distribution system, such as valve exercising and line flushing, will foster sustainable asset management.

Shoulder Pull Program

Continuing to focus on the Shoulder Pull Program, initiated in 2017 as part of the Gravel Roads Maintenance Program, will reduce road repairs and re-graveling costs, increase safety and enhance the longevity of County roads.

Operating Budget—Transportation & Utilities

	2020 Budget	2021 Budget	\$ Change	Notes	3 year Operating Forecast		
					2022	2023	2024
Revenue							
Conditional Grants	1,595,329	1,270,715	(324,614)	1	1,299,166	1,302,077	1,305,000
Fees & Charges	276,680	278,273	1,593		283,142	288,162	293,646
Internal Charges	551,114	513,517	(37,597)	2	515,920	516,997	528,000
Municipal Taxes	6,120	6,120	-		6,120	6,120	6,120
Penalties & Fines	2,400	2,550	150		2,550	2,550	2,550
Sales of Goods & Services	569,912	587,513	17,601	3	599,773	609,281	631,013
Transfers from Reserves	405,750	75,000	(330,750)	3	-	-	-
Total Revenue	3,407,305	2,733,688	(673,617)		2,706,671	2,725,187	2,766,329
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	7,650	3,500	(4,150)		3,500	3,500	4,150
Benefits	588,336	532,177	(56,159)	4	543,904	550,153	551,061
Contract Services	1,237,636	1,268,725	31,089	5	1,358,497	1,360,887	1,398,010
Insurance	100,738	117,500	16,762	6	134,970	155,075	1,200
Mileage & Subsistence	3,450	3,450	-		3,450	3,450	4,175
Other Operating Expenses	186,744	178,806	(7,938)		178,199	177,068	35,128
Professional Services	128,000	133,070	5,070		58,660	59,270	50,800
Rentals / Leases / Permits	8,180	8,000	(180)		8,010	8,025	9,270
Repairs & Maintenance	83,700	70,700	(13,000)	7	71,200	71,660	80,500
Salaries & Wages	2,298,309	2,118,452	(179,857)	8	2,150,101	2,095,623	2,104,757
Supplies & Materials	3,118,197	2,791,463	(326,734)	9	3,221,615	3,295,569	3,377,615
Telecommunications	22,757	13,220	(9,537)		11,120	11,320	12,400
Training & Development	18,900	14,960	(3,940)		16,030	15,060	16,915
Utilities	126,235	130,230	3,995		131,994	134,700	142,600
<i>Non-Operating Expenses</i>							
Bad Debt Expense	2,000	2,000	-		2,000	2,000	2,000
Other Non-Operating Items	1,096,574	1,076,761	(19,812)	10	1,081,893	1,087,157	984,235
Other Transfers	25,020	25,320	300		25,620	25,944	27,500
Transfers to Reserves	600,500	590,500	(10,000)	11	603,000	613,000	646,000
Total Expenses	9,652,925	9,078,834	(574,091)		9,603,763	9,669,461	9,448,316
Net Cost of Services	(6,245,620)	(6,345,146)	(99,526)		(6,897,092)	(6,944,274)	(6,681,987)

Note 1: Decrease in MSI funding but increase in provincial grant funding from Municipal Stimulus Program (MSP).

Note 2: Reduced road maintenance reserve transfer as 2020 budget used 2019 surplus funds.

Note 3: Escalation for water rates and slight increase in aviation fuels at airport.

Note 4: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 5: Contract costs have increased for gravel crushing, road maintenance and dust control programs.

Note 6: Insurance premium expected to increase 25% from provider.

Note 7: One-time items reduced from 2020 budget.

Note 8: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 9: Service reduction to gravel program (policy change).

Note 10: Decrease in internal charges between departments for public works equipment.

Note 11: Reduction in transfer to capital reserve due to the Town of Westlock taking over responsibility of the water plants.

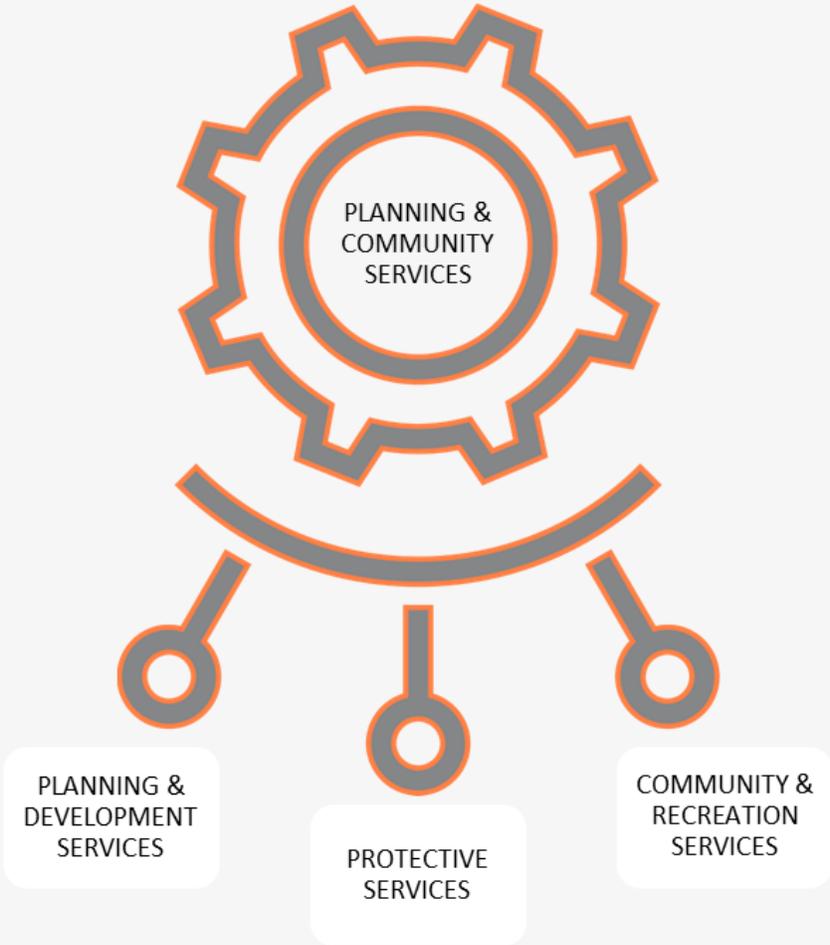


Planning & Community Services



Bringing value through Planning & Community Services Division

The Planning & Community Services Division works to enhance quality of life for Westlock County citizens. **Planning & Development** establishes the critical plans, strategies and policies that shape the design and livability of the County. By overseeing permitting, licensing, and addressing processes, Planning & Development helps residents and developers to build a better community. Working closely with community groups, **Community & Recreation** provides the recreation and culture amenities, programs, and events that promote enjoyment of the County’s many attractions and its rich natural environment. Community & Recreation nurtures wellbeing through essential social support services, and offers individuals, families, and groups the resources they need to grow and succeed. **Protective Services** promotes safety through fire services, emergency response, and enforcement of bylaws. The focus of Protective Services is to address issues proactively, by conducting routine patrols, engaging with the public, and offering impactful education and awareness programs so families can live, grow and play knowing they are safe. Together, the business units of the Planning & Community Services Division engage residents and visitors for a thriving lifestyle and opportunities that contribute to an economically vibrant, socially connected, and sustainable community.



Operating Budget—Planning & Community Services Division

	2020 Budget	2021 Budget	\$ Change	Notes	3 year Operating Forecast		
					2022	2023	2024
Revenue							
Conditional Grants	20,000	20,000	-		-	-	-
Fees & Charges	350,408	337,004	(13,404)		354,569	276,477	281,150
Penalties & Fines	77,300	239,650	162,350	2	242,250	242,250	247,250
Sales of Goods & Services	96,605	97,100	495		97,100	97,100	97,100
Transfers from Reserves	139,152	122,707	(16,445)	1	100,000	80,000	75,000
Total Revenue	683,465	816,461	132,996		793,919	695,827	700,500
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	11,450	9,788	(1,662)		9,746	9,870	7,420
Benefits	125,593	150,295	24,702	3	155,673	159,166	161,051
Contract Services	509,680	698,740	189,060	4	758,460	783,170	781,161
Insurance	63,495	84,022	20,527	5	96,619	111,115	-
Mileage & Subsistence	27,902	27,278	(624)		29,360	29,620	29,730
Other Operating Expenses	43,265	35,142	(8,123)		30,078	16,647	3,200
Professional Services	129,000	56,775	(72,225)	6	57,855	56,200	57,200
Rentals / Leases / Permits	71,387	64,074	(7,313)		61,837	67,066	56,090
Repairs & Maintenance	109,125	85,287	(23,838)	7	83,467	82,278	78,556
Salaries & Wages	501,854	566,747	64,893	8	585,552	604,638	615,483
Supplies & Materials	222,440	237,324	14,884	9	230,460	229,748	214,250
Telecommunications	31,360	31,657	297		33,639	32,766	33,484
Training & Development	35,725	35,787	62	62	34,630	35,321	34,820
Utilities	59,193	61,888	2,695		63,525	64,445	63,365
<i>Non-Operating Expenses</i>							
Bad Debt Expense	2,000	2,000	-		2,000	2,000	2,000
Grants & Contributions	197,748	164,991	(32,757)	10	138,520	138,520	138,520
Other Non-Operating Items	215,375	216,887	1,512		208,499	213,935	15,480
Other Transfers	315,000	438,214	123,214	11	446,878	455,716	455,716
Transfers to Reserves	158,143	161,343	3,200		163,623	159,223	122,800
Total Expenses	2,829,734	3,128,238	298,504		3,190,421	3,251,444	2,870,326
Net Cost of Service	(2,146,269)	(2,311,777)	165,508		(2,396,502)	(2,555,617)	(2,169,826)

Note 1: Transfer to reserve removed for Recreation Master Plan. See note 6 for more details.

Note 2: Increase to bylaw enforcement (policy change) and additional revenue expected with extra Community Peace Officer.

Note 3: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 4: Increase due to RCMP contract increasing by \$94,000 in 2021.

Note 5: Insurance premium expected to increase 25% from provider.

Note 6: Removal of funding for master plan. Administration is recommending a regional recreation inventory be completed before a master study would be required with linkages to a regional economic development plan.

Note 7: Facility maintenance budget decreased due to removal of one-time items and transfer of items to capital budget.

Note 8: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 9: Inflation increase expected for additional printing projects and impact from COVID-19 messaging materials.

Note 10: Decrease to annual contributions to community grants due less submissions and policy criteria.

Note 11: Increase for minimal requirement for disaster funds in order to qualify for provincial aid.

Budget by Program—Planning & Community Services Division

Planning & Development

Program / Service	Revenue	Expense	Net Cost
Planning & Development Services	113,167	584,288	471,121

Protective Services

Program / Service	Revenue	Expense	Net Cost
Emergency Management	-	43,644	43,644
Enforcement Services	236,500	284,947	48,447
Fire Services	110,00	569,296	459,296
RCMP Police Services	-	207,900	207,900

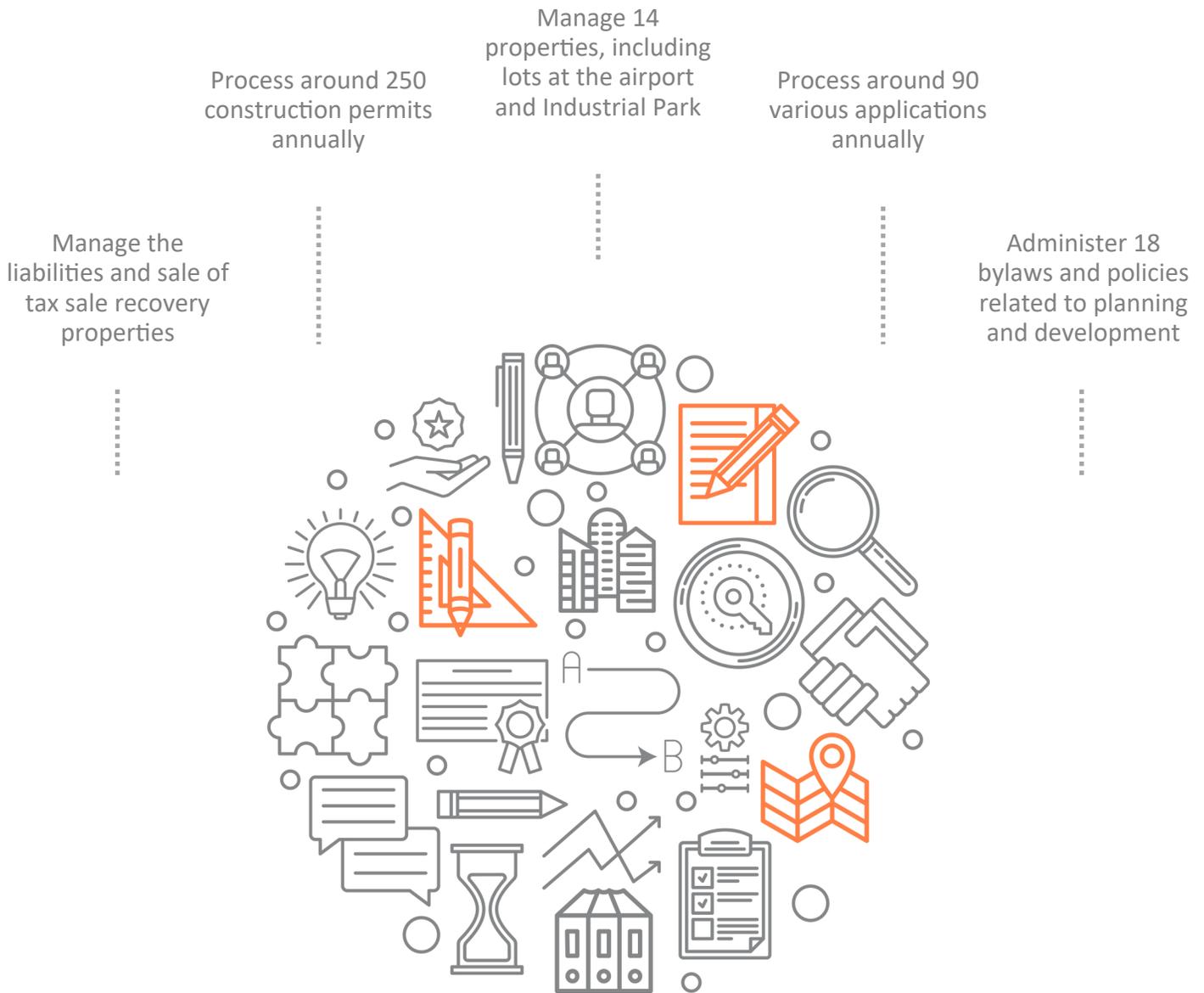
Community & Recreation

Program / Service	Revenue	Expense	Net Cost
Community Grants	-	75,791	75,791
Recreation Services	179,757	1,059,338	879,581

Planning & Development



Facilitating smart and sustainable development



Planning & Development Core Functions

Planning Services	Building and Safety Codes	Land Use Bylaw (LUB) Enforcement	Economic Development
<ul style="list-style-type: none">• Policy and bylaw development and amendments• Permits• Information and advisory services• Zoning amendments• Intermunicipal Collaboration Frameworks• Intermunicipal Development Plans• Liaise with Municipal Planning Commission• Compliance certificates• Rural addressing• GIS system updating	<ul style="list-style-type: none">• Gas, plumbing and electrical permits• Building and private sewage permits• Inspections• Monthly and annual reporting• Audit• Compliance with the Quality Management Plan• Information and advisory services	<ul style="list-style-type: none">• Enforcement of LUB• LUB updates and amendments• Complaint investigations• Sustainable development• Information and advisory services• Liaise with legal consultants• Liaise with planning consultants	<ul style="list-style-type: none">• Business attraction and retention• Tourism• Regional development <h3 data-bbox="1169 674 1511 793">Property Management</h3> <ul style="list-style-type: none">• Property management—lands, industrial park, rental properties, and tax sale recovery properties• Facility and security management of County owned properties



Budgeting for quality service delivery

Successes—Planning & Development has made recent achievements

Regional approach to appeals

The County has initiated a regional approach to the Subdivision and Development Appeal Board to create non-biased appeal proceedings. Historically, appeal boards were made up of local residents, which meant appeals had the potential to be biased or to cause local disputes when parties knew each other. A regional approach will better serve ratepayers and the municipality by eliminating bias and conflict and ensuring compliance with planning documents and bylaws.

Building staff capacity

Some Planning & Development staff are receiving specialized training that will equip the County with important new skills and create opportunities for succession planning and organizational excellence. Cross-training for some duties is underway to reduce risk, prevent interruptions in service and improve the management of workloads.

Challenges—Planning & Development works to maintain service delivery

LUB requires update

The current Land Use Bylaw (LUB), which establishes regulations on how land can be developed in the County, was passed in 2016. There are some elements within the document that require review to better prepare the County for growth, and details that need to be refined that have been noted through the application of the LUB for over four years. A thorough review and update of the LUB will give the County the right tools to introduce efficiencies, improve productivity and promote sustainable development practices. An updated LUB will help the County to accommodate new and sustainable growth and attract industry and commercial development to take advantage of new innovations. Collaborating with Fire Services for updates will also help to build safer developments and neighborhoods.

Economic development eliminated through budget cuts

Over the years, economic development has been nearly eliminated through budget cuts. As a result, opportunities for revenue generation have been neglected and the County's ability to draw business and residents has been greatly reduced. Given that the County is already experiencing sharp revenue declines and a shrinking young demographic, this has significant long-term impacts for the viability of the County.

Tax sale recovery properties on the rise

The County continues to see a rise in tax recovery properties as more property taxes go uncollected. This requires additional resources to manage properties and minimize risk to the County.

Opportunities—Planning & Development seeks improvement

Increase site inspections

It is a best practice for application review procedures to complete at least one field check of application information and site description data prior to a development application or subdivision application being considered for approval. The 2017 Municipal Inspection Report recommended that more site inspections be completed to reflect this best practice, as staffing levels have not been adequate to do so. Planning & Development suggests that more site inspections for applications be completed, as resources permit—site visits do have a budget impact and require staffing levels that permit a staff member to be out of the County office.

Focus for the year ahead—Planning & Development strives for quality programs

Regional economic development

Re-establishing the Economic Development function will revive the County's capacity to grow through business attraction, retention and expansion, and the development of tourism and recreation amenities. Opportunities exist to partner with the Town of Westlock and the Village of Clyde to study options and pursue projects. Recreation must become part of the equation if the County is to attract young families and innovative business. Economic development is necessary to build a healthy regional economy and reimagine the future of Westlock County as a hub for residential, commercial, and agricultural growth.

Operating Budget—Planning & Development

	2020 Budget	2021 Budget	\$ Change	Notes	3 year Operating Forecast		
					2022	2023	2024
Revenue							
Fees & Charges	233,508	199,804	(33,704)	1	217,369	139,277	143,950
Penalties & Fines	2,300	750	(1,550)		750	750	750
Sales of Goods & Services	3,605	3,100	(505)		3,100	3,100	3,100
Transfers from Reserves	25,000	84,150	59,150	2	100,000	80,000	75,000
Total Revenue	264,413	287,804	23,391		321,219	223,127	222,800
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	6,450	4,750	(1,700)		4,870	4,970	2,520
Benefits	62,942	84,810	21,868	3	87,893	89,866	90,935
Contract Services	51,185	172,300	121,115	4	134,040	138,640	139,191
Insurance	4,649	5,337	688		6,129	7,045	-
Mileage & Subsistence	3,589	2,893	(696)		3,010	3,120	3,230
Other Operating Expenses	3,865	3,980	115		4,099	-	-
Professional Services	32,500	42,575	10,075	5	43,655	42,000	43,000
Rentals / Leases / Permits	60,320	47,584	(12,736)	6	52,767	57,961	48,780
Repairs & Maintenance	48,950	18,600	(30,350)	7	19,300	14,530	13,830
Salaries & Wages	257,470	310,231	52,761	8	320,495	330,936	336,858
Supplies & Materials	75,719	89,129	13,410	9	91,295	92,770	94,835
Telephone & Communications	2,720	1,660	(1,060)		3,060	1,750	1,790
Training & Development	5,860	7,300	1,440		8,870	7,880	7,980
Utilities	28,950	30,550	1,600		32,150	33,000	33,180
<i>Non-Operating Expenses</i>							
Other Non-Operating Items	1,000	400	(600)		400	400	400
Transfers to Reserves	62,023	65,223	3,200		68,323	71,423	35,000
Total Expenses	708,192	887,322	179,130		880,356	896,291	851,529
Net Cost of Services	(443,778)	(599,518)	(155,740)		(559,137)	(673,164)	(628,729)

Note 1: Permit revenue projected based on actuals information.

Note 2: Increase in transfers from operating reserve for economic development plan.

Note 3: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 4: Contract services increased for major revisions to Land Use Bylaw.

Note 5: Legal fees increased to reflect actuals more accurately.

Note 6: Costs paid to inspection group expected to decline with less permit revenue.

Note 7: Facility maintenance budget was reduced as some items moved to capital budget.

Note 8: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 9: IT software costs increased for maintenance subscriptions and support.



Budgeting for quality service delivery

Successes—Protective Services has made recent achievements

Contract peace officer

The County has one Community Peace Officer (CPO) that contributes to the safety and security of the community. The CPO addresses enforcement related to provincial statutes and municipal bylaws for traffic, infrastructure protection, land use, nuisance, unsightly property, and animals. Protective Services has budgeted for an additional contract peace officer to address overweight loads that are damaging road infrastructure in the spring and fall, and to assist during staff shortages and high season call volumes.

Cost sharing

As an outcome of the Intermunicipal Collaboration Framework, it was suggested that the County cost share fire services with the Village of Clyde. In terms of cost sharing for enforcement, Westlock County and the Village of Clyde have implemented an agreement for Peace Officer services—the County's peace officer patrols the Village for 15 hours per month to enhance community safety. The County also has a Peace Officer agreement with the Town of Westlock, which improves service for ratepayers by providing additional manpower and enhanced officer safety.

E-ticketing efficiencies

E-ticketing capabilities will be mandatory in 2021—written tickets will no longer be accepted by the courts. This will give officers the ability to print tickets on-site and automatically enter required data to send to the courts. It will also save time and improve productivity, streamline data collection, minimize errors, and enhance member safety.

Emergency management

Emergency management preparation and mitigation work is underway with mutual aid partners to ensure adequate response to potential risks and to improve safety and the protection of lives, property, and the environment. Fires and floods have been the primary areas of focus; however, many other potential hazards exist. The recent review of the Emergency Response Plan has emphasized the need to continually update the plan and invest in training and collaboration with mutual aid partners.

All-Net Connect

All-Net Connect will be used to distribute information for emergency events and to keep the community informed about Protective Services' programs.

Challenges—Protective Services works to maintain service delivery

Communications risks

The radio tower that transmits the County's Very High Frequency (VHF) radio system has reliability issues, which causes interruptions in service and significant risk. When the communication tower is down, these radio communications are not available. Under other conditions, the signals are not received, such as when the tower is not in direct line of sight or in more remote areas of the County. The radio tower is shared and owned by Telus. In addition to the radio tower issues, the VHF radio communication system used by Protective Services is aging and will require upgrading.

Rising social issues

Westlock County is seeing an increase in rural and organized crime, addiction, and homelessness. This contributes additional strain to already limited enforcement services and makes crime increasingly challenging to address. Some of the increased crime has been linked to impacts from COVID-19.

Public expectations

Public expectations for fire and enforcement services are increasing, and balancing the expectations with limited resources is a challenge.

Training deficiencies

In past years, training for Disaster Services and Emergency Management has not been a priority. Westlock County is working towards having all staff complete Incident Command System (ICS) training, and specialized emergency management training for members of the Emergency Management team.

Apparatus requiring replacement

Westlock County Fire Services has an aging fleet of apparatus. It is critical to budget for equipment refurbishment and replacement to meet safety standards. The National Fire Protection Association (NFPA) recommends not using apparatuses over 25 years—failure to comply with this puts the public and firefighters at higher risk of injury or death.

Recruiting and retaining Fire personnel

Westlock County's economy and aging population has contributed to difficulties in maintaining proper staffing levels for all fire departments. A number of staff will soon be retiring and there are currently not enough recruits to fill the roles. Further, the fire recruitment process has changed significantly over the years and involves more training and requirements to become certified.

Opportunities—Protective Services seeks improvement

AFRACCS radios

Westlock County has signed on to the Alberta First Responders Radio Communications System (AFRRCS), which is managed and maintained by the Province, to begin addressing its radio communications issues. The AFRRCS network works during storms and power outages and is highly reliable. Investment in this technological infrastructure would solve Protective Service's radio communication challenge.

GPS tracking in emergency vehicles

Equipping all Protective Services vehicle fleet units with GPS tracking would improve emergency response through accurate and timely addressing, mapping, and the ability to deploy units based on the location of other units responding. It would allow members to see the location of critical obstacles, such as fuel tanks, to minimize risk and better prepare the County to safely and successfully respond to large-scale incidents.

Focus for the year ahead—Protective Services strives for quality programs

Improved emergency response time

Protective Services continually works toward providing emergency response in under 15 minutes.

Disaster and Emergency Training

Protective Services will focus on bringing necessary training requirements up to date for all staff. This will build capacity within the organization.

Enhance water supply

Installing an alternative water supply system inside all fire stations will drastically improve water supply for fire services where each tender is required to be refilled after each fire suppression response. A larger water line will eliminate long filling times, bring water trucks back into service faster, and improve the productivity of firefighters. Additionally, clean potable water will eliminate damage to pumps.

Operating Budget—Protective Services

	2020 Budget	2021 Budget	\$ Change	Notes	3 year Operating Forecast		
					2022	2023	2024
Revenue							
Conditional Grants	20,000	20,000	-		-	-	-
Penalties & Fines	75,000	238,900	163,900	1	241,500	241,500	246,500
Sales of Goods & Services	90,000	90,000	-		90,000	90,000	90,000
Transfers from Reserves	800	-	(800)		-	-	-
Total Revenue	185,800	348,900	163,100		331,500	331,500	336,500
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	3,800	3,438	(362)		3,476	3,500	3,500
Benefits	47,965	59,877	11,912	2	61,947	63,309	64,030
Contract Services	160,150	270,260	110,110	3	335,260	354,160	351,600
Insurance	39,814	60,835	21,021	4	69,965	80,460	-
Mileage & Subsistence	24,313	24,385	72		26,350	26,500	26,500
Other Operating Expenses	12,462	11,647	(815)		10,808	9,943	-
Professional Services	16,500	14,200	(2,300)		14,200	14,200	14,200
Rentals / Leases / Permits	3,567	8,990	5,423		9,070	9,105	7,310
Repairs & Maintenance	50,175	57,687	7,512		55,167	58,748	55,726
Salaries & Wages	193,138	236,125	42,987	5	243,847	251,638	256,012
Supplies & Materials	124,571	130,905	6,334		121,860	119,658	102,095
Telecommunications	25,364	27,011	1,647		27,579	27,836	28,514
Training & Development	26,865	25,487	(1,378)		25,160	26,841	26,240
Utilities	26,243	27,338	1,095		27,375	27,445	26,185
<i>Non-Operating Expenses</i>							
Bad Debt Expense	2,000	2,000	-		2,000	2,000	2,000
Grants & Contributions	52,000	39,700	(12,300)	6	39,700	39,700	39,700
Other Non-Operating Items	37,893	37,282	(611)		38,227	39,096	9,780
Other Transfers	5,000	5,000	-		5,000	5,000	5,000
Transfers to Reserves	63,620	63,620	-		62,800	62,800	62,800
Total Expenses	915,439	1,105,787	190,347		1,179,791	1,221,939	1,081,192
Net Cost of Service	(729,639)	(756,887)	(27,247)		(848,291)	(890,439)	(744,692)

Note 1: Revenue projected to increase with additional Community Peace Officer and with a focus on increased road enforcement.

Note 2: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 3: Increase for RCMP police contract.

Note 4: Insurance premium expected to increase 25% from provider.

Note 5: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 6: Reduction to contributions for fire/medical calls.



Community & Recreation



Providing support and recreation opportunities

Support 20 community groups and manage \$80,000 in community grants

Contribute to the Town of Westlock for recreation, Family & Community Services, and libraries

Support / host 20-35 events throughout the County each year and 10 Farmers Markets

Process around 765 online bookings annually

Manage 7 recreation areas and thousands of visitors each year



Community & Recreation Core Functions

General Administration

- Customer service
- Liaise with community members and organizations
- Contributions to Family & Community Support Services, Westlock Municipal Libraries and Town of Westlock for various recreation
- Arts and cultural events
- Community development

Recreation Areas

- Management of County recreation areas and facilities—leases, contracts, utilities, building maintenance, materials and supplies, security, planning, development
- Recreation facility planning and development
- Monthly site inspections
- Safety management and reporting
- Marketing
- Online booking system
- Ensure compliance with legislation for boat launches, beaches, water and lands
- Liaise with six regulatory bodies related to water—water quality issues and riparian flooding

Community Grant Program

- Coordinate grant review process and present candidates to Council
- Assist community groups and associations with funding and grant writing support
- Coordinate grant reporting from successful applicants
- Recreational, playground and service development and partnerships
- Scholarships
- Youth assistance



Budgeting for quality service delivery

Successes—Community & Recreation has made recent achievements

Relationship with community groups

The County has built solid relationships with community groups. The Community Grant Program is a testament to continued financial support and community development.

Intermunicipal collaboration

The Share the Doctor recruitment program between the County, Town of Westlock and Village of Clyde is an example of successful intermunicipal collaboration, as the municipalities work together to keep doctors local and meet the needs of ratepayers. The County also contributes annual funds to the Town of Westlock for many recreational services.

Tawatinaw Valley Ski Club

The County is in its second year of a three-year operating agreement with the Tawatinaw Valley Ski Club for the operation of Tawatinaw Valley Ski Area. The club has achieved two very successful years, bringing in a record number of visitors—over 11,120 ski visitors and 37 schools, with 2,105 student impressions over 58 skiing days. This success is the result of over 9,200 hours of volunteer dedication guided by the Tawatinaw Valley Ski Club Board, which consists of 12 local residents. The current board has brought facility infrastructure up to compliance with annual inspections and repairs, upgraded the requirements from an insurance risk assessment, and created maintenance protocols to extend the longevity of Westlock County assets while providing the safest recreational environment for the public.

Challenges—Community & Recreation works to maintain service delivery

Decreasing revenue

Delivering safe outdoor recreation opportunities for residents and tourists during the COVID-19 pandemic has required the implementation of many public health protocols, including physical distancing. This has resulted in lower capacity at tourist attractions and in turn, reduced revenues. High water levels at Long Island Lake Municipal Campground in 2020 left limited beach space to enjoy, which, combined with physical distancing requirements, caused a further reduction in the number of visitors permitted. Tawatinaw Valley Ski Hill faces similar protocols for the winter season, including restricted group sizes and school visits and the elimination of events. Revenue is expected to continue to decrease as COVID-19 evolves.

Opportunities—Community & Recreation seeks improvement

Recreation site enhancements

Many opportunities exist to enhance Long Island Lake Campground, including bringing power to the designated camping area, expanding with a trail system, and introducing rental equipment, such as kayaks, stand up paddle boards and canoes. The Rainbow Park day use area also has significant potential to grow into a paid campground with site development. If the Rotary Trail is extended from Highway 18, the day use area would generate revenue from picnic, fishing and outdoor adventures. These sites could become substantial revenue generators and a tourism draw.

Regional tourism

COVID-19 is causing people to spend more time outside and travel locally. Westlock County must be prepared to accommodate an increase in visitor demand at the Tawatinaw Valley Ski Area in 2021. With appropriate support and resources, the facility will be a good example of social wellbeing and economic diversification in the region.

Focus for the year ahead—Community & Recreation strives for quality programs

Strategizing campgrounds

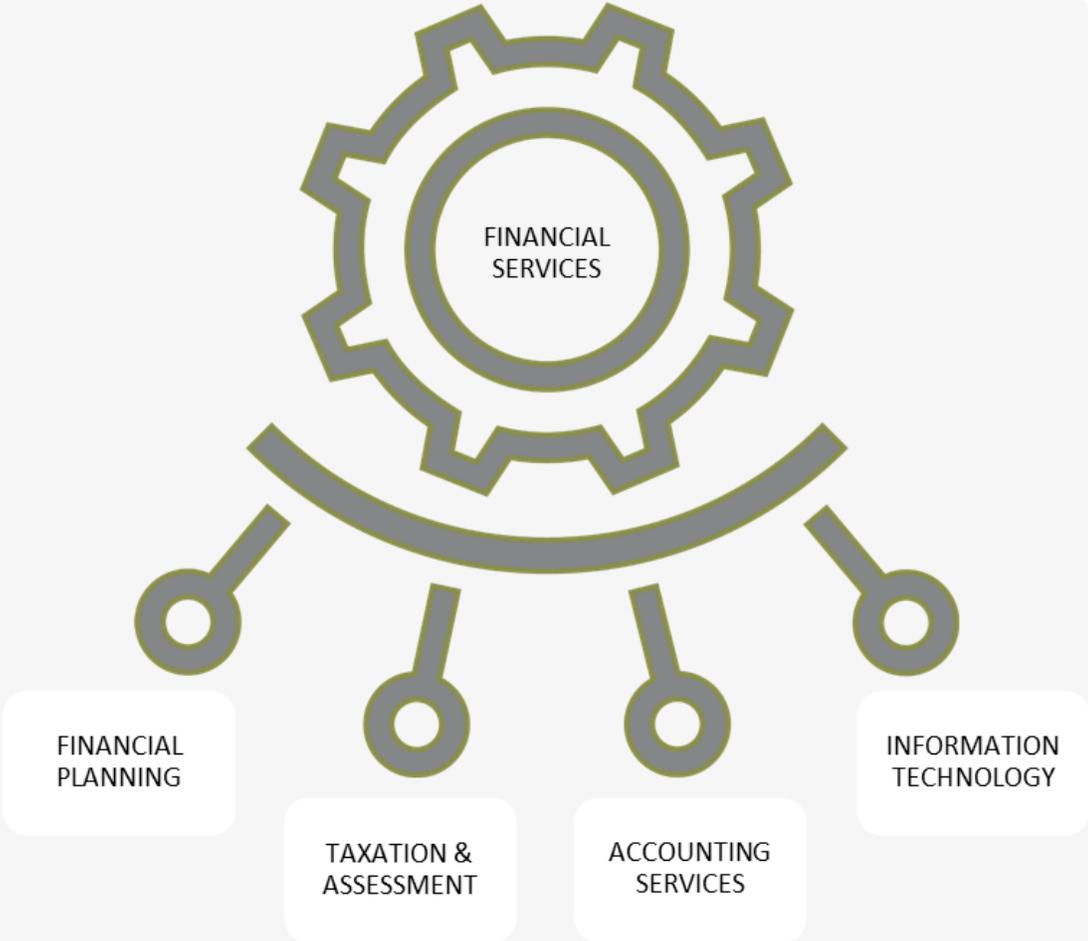
To support the health and safety of the public during COVID-19, tough decisions were made in 2020 to close certain campgrounds that did not have caretakers. Some of these campgrounds have aging infrastructure that requires significant maintenance, and vandalism has contributed to worsening facility conditions. All locations will be analyzed to determine whether these campgrounds will eventually re-open or be closed permanently.

Financial Services Division



Bringing value through Financial Services Division

The Financial Services Division is accountable for safeguarding and administering the County’s financial assets through sound policies and procedures, internal controls, and **accounting systems**. The division delivers all financial operations and facilitates long-term **financial planning** to ensure the stability and viability of the County. Maintaining excellence in customer service is a priority for Financial Services, as it strives to produce accurate and timely financial information for the citizens of Westlock County, Council, and staff, and develop trust through transparency. The division provides guidance and direction to all business units and oversees property **assessment and tax** collection for the development of annual budgets. Responsible for the County’s **information technology** systems—computer hardware, software, mobile devices, and processes—the division enables work across the organization. Financial Services’ leadership and expertise allows the County to maximize its capabilities through financial and technology resources to capitalize on opportunities for success.



Financial Services



Safeguarding the County's financial future

Process an average of 565 cash receipts and 195 cheques and EFTs monthly

Process 535 utility bills monthly

Manage approximately 8,200 tax rolls and assessments

Manage insurance for 92 pieces of heavy equipment, 56 automobiles, 27 properties and 24 non-profit agencies

Manage 75 various devices including computers, laptops, tablets, and cell phones



Financial Services Core Functions

General Administration

- Customer service
- Corporate financial support

Financial Planning

- Operating and capital budgets
- Budget support to business units
- Long-range financial planning
- Reserves management
- Financial analysis and forecasting
- Fiscal services

Taxation and Assessment

Taxation

- Mill rate bylaw
- Tax notices
- Tax collection
- Tax recovery
- Tax Installment Payment Plan

Assessment

(contracted service)

- Annual market values
- Regulated property values
- New property assessments

Accounting Services

- Accounts receivable—cash receipts, banking etc.
- Accounts payable
- Payroll services
- Utility billing
- Financial reporting
- Insurance
- Debentures
- Investments
- Tangible capital assets
- Financial policy development and updates

Information Technology

- Liaise with IT contracted services
- Coordination and follow-up of HelpDesk tickets
- Support and training for financial software
- Management of County's mobile devices
- Technological policy development and updates



Budgeting for quality service delivery

Successes—Financial Services has made recent achievements

Saving for the future

Progress has been made on enhancing the County's reserves contributions. With the implementation of a new Reserves Policy (#5.17), the County is getting closer to minimum reserve levels for a sustainable future.

Accounting support

The recent addition of an accounting support position in Financial Services has already resulted in several successes, including improved accuracy and increased capacity. The position has contributed to streamlining and improving the insurance process, allowing the County to stay up to date on changes and minimize risk to the organization. While this is only a first step in addressing the understaffed environment, it highlights what significant improvements can be made from more appropriate staffing levels.

New budget process

The County has adopted a new and streamlined approach to budgeting processes and delivery for the 2021 Budget. This has allowed for deeper conversations about revenue and expenses, enhanced accuracy and collaboration, and improved communication to Council and the public through open and transparent narratives.

Improved customer service

Improvements to the automatic phone system will help to create efficiencies and support superior customer service.

Challenges—Financial Services works to maintain service delivery

Changes in assessment model

The Government of Alberta's review of the assessment model for regulated oil and gas properties is still uncertain and may have serious impacts on the County's financial capacity to support programs and services.

Changes to provincial grant funding

The Province's Municipal Sustainability Initiative (MSI) funding is expected to end in 2021 and grant funding from the Province still remains uncertain. However, the County must be prepared to mitigate the financial consequences, as service delivery currently relies heavily on provincial grant funding.

Increase in uncollected taxes

The County continues to see a rise in uncollected property taxes from oil and gas industry linear and designated industrial properties. The County has no recourse to collect these outstanding taxes, which represent the County's largest expense and has increased to 23% of total taxes in the past four years.

Increase in expenses

The County must shift budgets to accommodate downloads from the Province for various services. This becomes increasingly difficult in the face of declining revenue. Inflation is also a natural reality for expenses.

Increase in tax recovery properties for non-payments

The County continues to see a rise in tax recovery properties. While the *Municipal Government Act* offers provisions for municipalities to put properties up for sale when property taxes go unpaid, the County must take on liabilities associated with the properties until they are sold. As the number of properties that fall into this recovery process continues to rise, so do the financial burdens and risks for the County.

Increasing IT hardware demands

Much of the County's IT hardware is aging, outdated or inefficient. Keeping up with modern technology is always a challenge, as technology changes rapidly and the costs for infrastructure is typically quite high.

Opportunities—Financial Services seeks improvement

Strategic financial support

The need for higher-level accounting and strategic financial analysis is crucial as the County faces more complex financial challenges. Internal business units rely on sound financial advice to improve their operations and Council requires financial strategies to make important decisions for the future success of the County. Additional oversight for accounting services will ensure added accuracy and support for all processes.

Focus for the year ahead—Financial Services strives for quality programs

Fees and Charges Bylaw

The finalization of a Fees and Charges Bylaw would provide clarity to the organization and define the County's charges for various municipal services and products, such as permits and licenses, rentals, user fees and programs.

Review reserve contributions

Annual contributions to reserves have not been reviewed in many years. With the unexpected changes in grant funding, increasing asset depreciation, and decline in revenue, the County has prioritized the need to review the contributions and develop appropriate levels to keep the reserves healthy.

Budget software upgrades

Budget software was implemented a couple of years ago and now requires an upgrade. The upgrade will streamline the budget process significantly and include modifications to the operating budget module, installation of a capital projects module, and integration of actual information.

Strategizing corporate technology needs

Strategizing corporate technology needs has not been a priority in the past, likely due to the high costs associated with technology. A corporate approach must be taken to clearly define assets that are due for replacement and prioritize the technology needs of the organization. The 10-year Capital Plan will be updated to increase technology advancement.

Operating Budget—Financial Services Division

	2020	2021	\$	Notes	3 year Operating Forecast		
	Budget	Budget	Change		2022	2023	2024
Revenue							
Conditional Grants	208,744	916,619	707,875	1	208,529	208,529	208,529
Fees & Charges	6,850	6,000	(850)		6,000	6,000	6,000
Municipal Taxes	35,000	-	(35,000)	2	-	-	-
Other Revenue	709,313	614,313	(95,000)	3	614,313	586,289	586,289
Penalties & Fines	507,500	697,100	189,600	4	697,100	697,100	697,100
Requisition Revenue	3,422,590	3,494,920	72,330	5	3,564,620	3,635,710	3,708,225
Sales of Goods & Services	93,600	84,700	(8,900)	6	85,000	85,300	85,630
Transfers from Reserves	924,600	21,200	(903,400)	7	21,600	22,050	22,500
Total Revenue	5,908,197	5,834,852	(73,345)		5,197,162	5,240,978	5,314,273
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	8,500	8,000	(500)		8,150	8,300	8,450
Benefits	133,537	122,932	(10,605)	8	127,053	129,634	130,918
Contract Services	51,150	94,770	43,620	9	111,030	97,330	98,670
Insurance	15,869	31,520	15,651	10	36,250	41,685	47,950
Mileage & Subsistence	2,625	1,450	(1,175)		1,465	1,480	1,495
Other Operating Expenses	1,000	1,000	-		1,000	1,000	1,000
Professional Services	291,200	197,125	(94,075)	11	199,160	201,855	204,475
Rentals / Leases / Permits	3,370	3,370	-		3,370	3,370	3,370
Salaries & Wages	503,796	426,849	(76,947)	12	439,472	452,535	459,192
Supplies & Materials	167,100	181,371	14,271	13	171,185	174,510	177,805
Telecommunications	16,170	14,690	(1,480)		16,130	15,180	15,430
Training & Development	10,975	7,810	(3,165)		7,825	7,840	7,855
<i>Non-Operating Expenses</i>							
Bad Debt Expense	1,000,000	742,000	(258,000)	14	742,000	742,000	742,000
Grants & Contributions	254,344	253,069	(1,275)		257,969	262,964	268,061
Other Non-Operating Items	508,313	508,313	-		508,313	480,289	480,289
Other Transfers	21,000	21,000	-		21,000	21,000	21,000
Requisitions Paid	3,422,590	3,494,920	72,330	15	3,564,620	3,635,710	3,708,225
Transfers to Reserves	130,560	90,630	(39,930)	16	90,630	90,630	90,630
Total Expenses	6,542,099	6,200,819	(341,280)		6,306,622	6,367,312	6,466,815
Net Cost of Service	(633,902)	(365,967)	267,935		(1,109,460)	(1,126,334)	(1,152,542)

Note 1: Additional provincial grant available (MOST) on a one-time basis.

Note 2: Well-drilling activity reduced as per actuals.

Note 3: Decrease in interest earned income.

Note 4: Increased penalties on delinquent taxes receivable.

Note 5: Revenue for school levy, seniors foundation and DIP requisition (provincial mandate).

Note 6: Reduced gravel levy.

Note 7: Decrease transfer from reserve to fund bad debt expense.

Note 8: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 9: Includes contract corporate strategic planner.

Note 10: Insurance premium expected to increase 25% from provider.

Note 11: No consulting fees for ICF, reduced assessment services fees and legal fees.

Note 12: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 13: Based on 3% escalation and includes new printer shared cost with other departments.

Note 14: Reduction due to less oil and gas current taxes levied year-to-date.

Note 15: Expense for school levy, seniors foundation and DIP requisition (provincial mandate).

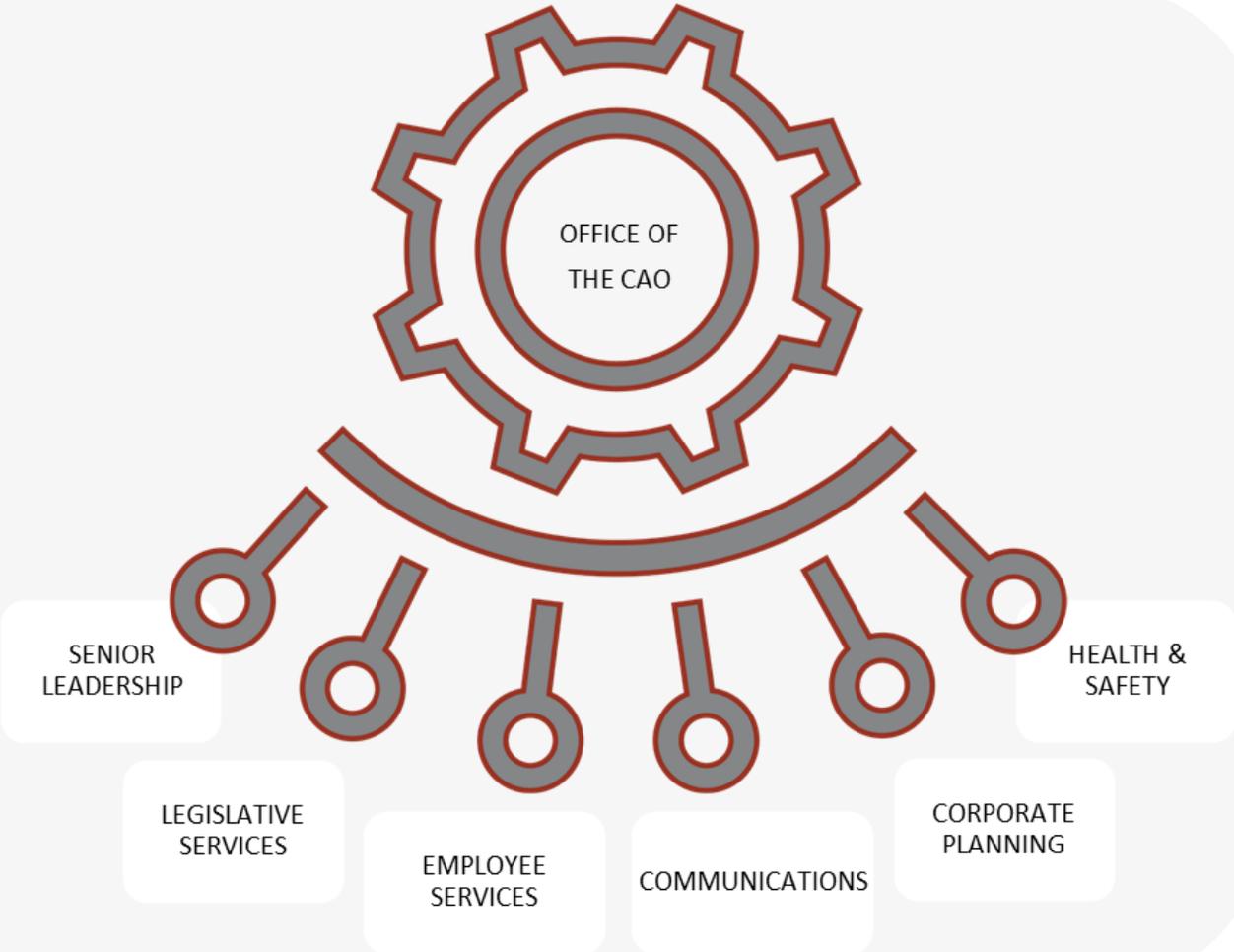
Note 16: Less transfers to reserve for interest and gravel royalty.

Office of the CAO



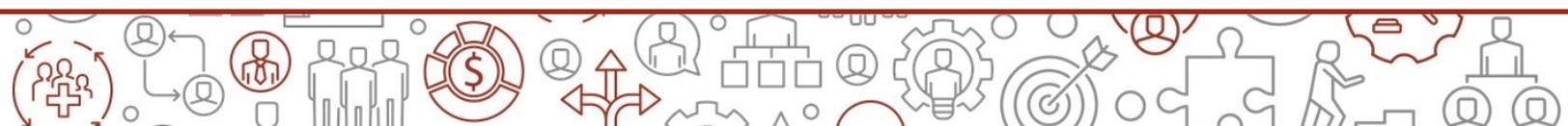
Bringing value through the Office of the CAO

As the coordinating link between Council, Administration, and the public, the **Chief Administrative Officer (CAO)** is responsible for the overall leadership and management of the municipality. In partnership with **Senior Leadership**, the CAO facilitates work across all divisions and with external agencies to implement the decisions of Council and bring Council’s strategic direction to life. The team of business units within the Office of the CAO enables the CAO and the County to be responsive to the needs of the community. **Corporate Planning** provides the structured, collaborative planning approach that helps the organization to plan for the future and to align Administration with Council’s direction by creating the plans and tools required to guide, measure and report on progress toward goals and outcomes. **Communications** strives to inform and engage the public through the development of communication materials, sharing key messages and inviting community and stakeholder involvement. The work of **Legislative Services** supports Council and ensures that County government and decision-making processes maintain transparency, accountability, integrity and accessibility to the public. **Employee Services** supports a healthy workplace, empowering motivated staff that commit to excellence and continuous improvement for the benefit of citizens and the region. Underlying all staff work is **Health & Safety**, which promotes awareness and compliance with legislation and safe work practices to protect staff, contractors, County property and the environment. Together, these business units aim to meet the needs of the community through leadership, innovation, and collaboration.



Office of the CAO Service

Chief Administrative Officer	Legislative Services	Employee Services	Health & Safety
<p><i>Operations</i></p> <ul style="list-style-type: none"> • Corporate leadership— Senior Leadership Team and senior management functions • Alignment with strategic priorities • Regional partnerships and relationships <p><i>Governance</i></p> <ul style="list-style-type: none"> • Principal advisor to Council • Implementation of policies and programs • Inter-municipal affairs 	<ul style="list-style-type: none"> • Boards and committees • Council support • Council meeting agenda packages and minutes • Liaise between public and Council • Elections • Bylaw and policy administration • Sub-Division Appeal Board support • FOIP training and management • Records management 	<ul style="list-style-type: none"> • Staff support • Policy development • Health and wellness • Job evaluation • Performance management • Salary administration and payroll management • Compensation and benefits • Collective bargaining and collective agreements • Records management • Succession planning • Capacity building • Job descriptions • Hiring, recruiting and retention • Dispute resolution and mediation • Contract administration 	<ul style="list-style-type: none"> • Corporate health and safety program and services • Working Alone Program • Compliance with legislation • Occupational Health & Safety training • Risk management • Policy development • Incident reporting • Safety investigations • Community safety compliance and initiatives • Administrative support to the Joint Health & Safety Committee
	<p>Communications</p> <ul style="list-style-type: none"> • External communications • Internal communications • Media relations • Website and branding • Corporate messaging 	<p>Corporate Planning</p> <ul style="list-style-type: none"> • Strategic planning • Business planning and budgeting • Priorities alignment • Monitoring and performance measures 	



Budgeting for quality service delivery

Successes—Office of the CAO has made recent achievements

Tri-CAO meetings

Meetings between the CAOs and key staff of Westlock County, the Town of Westlock and the Village of Clyde have recently allowed the communities to address values and leadership, cost-sharing of services, and strategies for progress. This is an important step toward greater intermunicipal collaboration.

Governance and Priorities Committee

The newly developed Governance and Priorities Committee has created the opportunity to highlight and discuss critical policies, bylaws, contracts, and proposals. Monthly committee meetings now provide information and clarity on important matters to Council and the public. This has promoted more informed decision making and increased transparency, and resulted in more efficient Council meetings.

Media relations

Media relations has become a priority to increase engagement with the public. Enabling Communications staff to prepare information and speak with the media allows the County to be more proactive and transparent in its communications and issues management.

All-Net Connect

Implementation of All-Net Connect will improve the County's ability to communicate with residents about important issues through text, e-mail and voice calls.

Challenges—Office of the CAO works to maintain service delivery

Adjustment to workplace culture

With eight CAOs in the past six years, the County's workplace culture has been significantly impacted. Leadership issues have had widespread negative consequences for staff wellbeing and engagement and the success of County programs. Service levels have been unclear, and some services appear fragmented. The organization requires direction, as some staff have lost trust in senior management due to the apparent low morale. This will require time to repair, but the organization is committed to making long-term progress.

Understaffed Administration

A capacity review determined that the County's Administration is understaffed by 25% with 47 staff (62 is the benchmark). This has had serious impacts on service delivery and the organization's capacity to tackle critical issues. Limited capacity has slowed the County's progress in many ways—administrative processes and participation in regional affairs have been delayed due to the lack of resources, and some tasks have been distributed across the organization, with many staff juggling multiple functions and responsibilities.

Inadequate corporate planning

In the absence of a corporate plan or appropriate planning functions, the County lacks guidance, formal processes, and performance measures to implement Council's strategic goals.

Limited guidance for communication services

In 2019, a Communications Plan was developed. The Communications Plan was not adopted by Council, but a Communication Specialist role was developed with the expectation that it would provide communication support and direction. Without this guidance, combined with limited internal capacity, communication on all levels has suffered.

Opportunities—Office of the CAO seeks improvement

Information tracking

Creating a strategy to track Community Service Requests and Council information requests will encourage consistent and transparent information sharing, build relationships and trust, and enhance communication with Council and the public.

Succession planning and cross training

Succession planning and cross training will be critical in preparing the County for future change and ensuring that strong leaders are in place to support the County's success. While building staff capacity through succession planning is difficult in the County's understaffed environment, Administration recognizes it as a critical step to fostering sustainable service delivery.

Records Management

Examining the County's records management process will improve practices and progress the organization toward modern electronic records management.

Focus for the year ahead—Office of the CAO strives for quality programs

Improving workplace culture

The Office of the CAO has prioritized improving the workplace culture to re-build, modernize and develop a healthy team environment, as only a strong team can overcome the issues the County faces. It is urgent to restore staff trust and confidence, foster wellness and professional development and enable the organization. The development of Employee Services programs will improve conflict resolution and mediation, celebrate staff value, and promote a healthy work environment. County staff possess talent and capabilities that are not being effectively utilized in the current workplace environment—through proper staff support, the County can unlock significant potential within the organization and empower staff to fulfill their true value. Internal office space has already been reconfigured to create positive, dedicated space for staff and enhance the workplace environment.

Defining the Corporate Planning function

Establishing a corporate business planning function will support updates to strategic planning, facilitate the development of a formal corporate business plan and corporate values, and bring clarity to the vision for Westlock County. This will bridge the gap between strategic goals and daily operations, align the budget to actionable goals, and build from the success of the County's new budget process. A corporate business plan will enhance accountability and ensure that Council and Administration are working collaboratively through a set of community values to implement the priorities of Council's strategic plan.

Formalized governance process

The Office of the CAO will develop a more consistent and formal process for governance. A road map for Council orientation and training will highlight responsibilities, key policies, legislation, and collaboration with Administration to prepare Council to succeed. Timelines and procedures will assist Council to make informed and strategic decisions and ultimately, fulfill their legacy.

2021 election

The next municipal general election will be held on October 18, 2021. Legislative Services staff will require significant resources to prepare for and administer the election in alignment with *Alberta's Local Authorities Election Act*.

FOIP training

Freedom of Information and Protection of Privacy (FOIP) training for at least one staff member in each business unit will help to integrate FOIP measures into all County core functions, to balance access with privacy and safeguard the personal information of citizens.

Mentorship for senior leadership

A mentorship approach will support directors and the management team in managing business units with a focus on corporate goals and strategies. With senior leadership guiding the organization at this higher level, the CAO will have more capacity to power a forward-thinking vision for the County.

Development of the Communications function

Development of the Communications business unit will bring clear guidance to communication priorities, strategies, and targets. Attention to the function will allow the County to revisit the Communications Plan and implement it as effectively as possible over the long term, given low staff resources. Steady progress could be made toward improved transparency and issues management, communications training, and performance measures to track achievements.

Budgeting for quality service delivery

Successes—Health & Safety has made recent achievements

Enhanced safety

The County's Health and Safety Program was introduced three years ago. Since that time, the implementation of various processes and best practices has significantly reduced the number of safety incidents that occur. The system protects staff, contractors and other workers, the public, the environment, and County property. Employees at every level are responsible and accountable for Westlock County's Occupational Health and Safety system.

Community assistance

Community groups that manage facilities and programs within the County must run their safety programs through the County's Health & Safety Program or follow an industry standard Occupational Health and Safety program. This results in improved compliance with legislation, safer facilities for the public, and enhanced data collection through the groups' safety reporting and guest reporting. The program has also better positioned the County to support community groups and contractors as they manage their facilities during COVID-19 and relaunch.

Challenges—Health & Safety works to maintain service delivery

COVID-19

Managing staff and public safety and wellness during COVID-19 has added significant work in an already understaffed workplace environment. The pandemic has brought additional required procedures and costs, altered work practices, and added stress to staff. However, it has also highlighted the many strengths of County staff in terms of adaptability and resilience, and their ability to reflect this in the community.

Opportunities—Health & Safety seeks improvement

Continuous improvement

Occupational Health & Safety can always be improved through facility and equipment upgrades to address deficiencies, planning and redevelopment, further policy development, and additional risk assessments and inspections. The Health & Safety Program is implemented based on legislative requirements, priorities, and the resources available.



Budgeting for quality service delivery

Focus for the year ahead—Health & Safety strives for quality programs

Managing COVID-19

As the pandemic evolves, Health & Safety will continue to monitor and respond as required and work to mitigate risk and manage costs.

Cloud system integration

In 2021, Administration will launch a cloud system to integrate all Occupational Health & Safety certifications, assessments, and forms in a digital and accessible format. This will help to minimize delays, ensure accurate reporting and compliance with legislation, and incorporate all staff members.

Operating Budget—Office of CAO

Chief Administrative Officer’s divisional budget includes the smaller budgets of Legislative Services, Communications, Corporate Planning, Employee Services and Health & Safety.

	2020	2021	\$	Notes	3 year Operating Forecast		
	Budget	Budget	Change		2022	2023	2024
Revenue							
Fees & Charges	12,000	12,000	-		12,000	12,000	12,000
Transfers from Reserves	-	28,600	28,600	1	-	-	-
Total Revenue	12,000	40,600	28,600		12,000	12,000	12,000
Expenses							
<i>Operating Expenses</i>							
Advertising & Printing	500	2,400	1,900		600	600	600
Benefits	96,522	131,455	34,933	2	135,044	137,301	138,463
Contract Services	3,400	11,800	8,400	3	-	-	-
Insurance	242	320	78		370	425	-
Mileage & Subsistence	13,380	16,820	3,440		13,570	13,570	13,570
Rentals / Leases / Permits	-	2,450	2,450		-	-	-
Repairs & Maintenance	500	500	-		500	500	500
Salaries & Wages	395,407	512,887	117,480	4	526,872	541,934	544,460
Supplies & Materials	63,435	72,273	8,838	5	65,791	66,000	67,192
Telecommunications	3,480	2,540	(940)		2,540	1,340	2,540
Training & Development	16,300	20,155	3,855		15,135	13,995	14,935
<i>Non-Operating Expenses</i>							
Other Non-Operating Items	1,500	800	(700)		800	800	800
Transfers to Reserves	14,200	2,500	(11,700)	6	14,200	14,200	2,500
Total Expenses	608,866	776,900	168,034		775,422	790,665	785,560
Net Cost of Service	(596,866)	(736,300)	(139,434)		(763,422)	(778,665)	(773,560)

Note 1: Increased transfer to fund election costs.

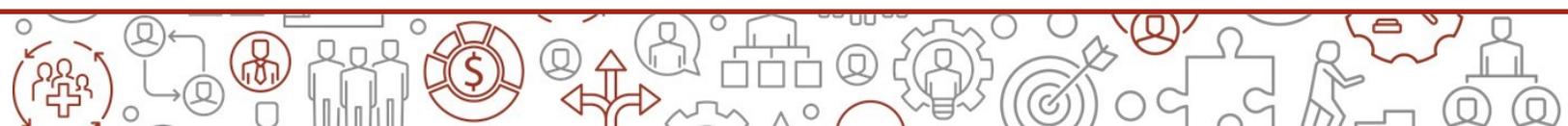
Note 2: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 3: Increasing due to election expenses.

Note 4: Service review caused organizational restructuring and shuffling of positions in departments / divisions.

Note 5: Increase for supplies elections, health & safety supply budget is now under CAO division (structure change).

Note 6: Annual contribution to election costs.



Elected Officials



Leading the organization through governance

As your elected officials, we are honoured to be the leaders of Westlock County's 2019-2024 Strategic Plan, *Growing Opportunity*. The priorities set out in this plan reflect the public's and Council's vision for an inspired and flourishing community. We recognize our responsibility as your municipal government in delivering this future state, and strive to be independent, impartial, and accountable to our public.

Council's principal roles are set out in the *Municipal Government Act* and other legislation, which assign us as custodians of the County's legislative and administrative powers. We represent the public and consider their wellbeing and interests as we develop and evaluate policies and programs for optimal service delivery and financial integrity.

Through leadership and direction to Administration, we ensure County business is carried out efficiently and effectively for the benefit of our citizens. Through engagement with both the public and the external committees, boards and commissions we are members of, we prioritize business, address local and regional issues, and plan for our future success. We bring various perspectives together for a stronger community we can all be proud to call home.

Accomplishments—3 years of success

We are proud of the many things we have accomplished over the last three years in partnership with the public and Administration:

- A strategic plan as a roadmap for success. We have completed many of the items within it and a review of the plan in 2019 led to the development of new priorities.
- Improved communication with residents—we are here to listen. We have taken many delegations presenting concerns and financial requests.
- Completion of many recommendations from the Municipal Inspection Report to fulfill Municipal Affairs' mandate.
- Many updated or new bylaws and policies, such as the Procedure Bylaw and Code of Conduct Bylaw.
- Re-establishment of the Joint Services Committee.
- IDP (Intermunicipal Development Plan) and ICF (Intermunicipal Collaboration Framework) agreements with rural and urban neighbours are underway.
- Improved working relationship with the Town of Westlock through monthly Joint Council meetings.
- Airport Agreement and the development of an advisory committee.
- Ratified Union Agreement.
- Membership in GROWTH Alberta, a joint regional economic development organization.
- Celebration of the County's 75th Anniversary.

Operating Budget—Elected Officials

	2020	2021	\$	Notes	3 year Operating Forecast		
	Budget	Budget	Change		2022	2023	2024
Revenue							
Transfers from Reserves	76,300	19,000	(57,300)	1	-	-	-
Total Revenue	76,300	19,000	(57,300)		-	-	-
Expenses							
Advertising & Printing	5,850	5,560	(290)		5,635	5,710	5,785
Benefits	51,634	40,718	(10,916)	2	63,755	63,992	63,992
Insurance	9,100	10,500	1,400		11,550	12,775	13,125
Mileage & Subsistence	27,705	30,275	2,570		29,685	29,995	32,115
Other Operating Expenses	3,900	4,600	700		4,200	4,300	4,400
Professional Services	76,300	12,000	(64,300)	3	25,000	-	-
Rentals / Leases / Permits	1,700	1,200	(500)		1,200	1,200	1,200
Salaries & Wages	278,008	262,605	(15,403)	4	280,572	284,781	284,781
Supplies & Materials	2,820	10,905	8,085	5	4,515	2,825	2,885
Telecommunications	8,150	8,150	-		8,150	8,150	8,150
Training & Development	33,260	31,935	(1,325)		34,120	34,810	35,485
Total Expenses	498,428	418,448	(79,980)		468,382	448,538	451,918
Net Cost of Service	(422,128)	(399,448)	22,680		(468,382)	(448,538)	(451,918)

Note 1: Previously used to fund ICF arbitration. Currently used to fund Council iPads / laptops.

Note 2: Benefits decreased voluntarily by Council during budget deliberations.

Note 3: Decrease in professional services from ICF arbitration.

Note 4: Council wages decreased voluntarily by Council during budget deliberations.

Note 5: Increased IT costs for Council iPads.



Capital Budget Highlights



Capital budget highlights

Value of capital

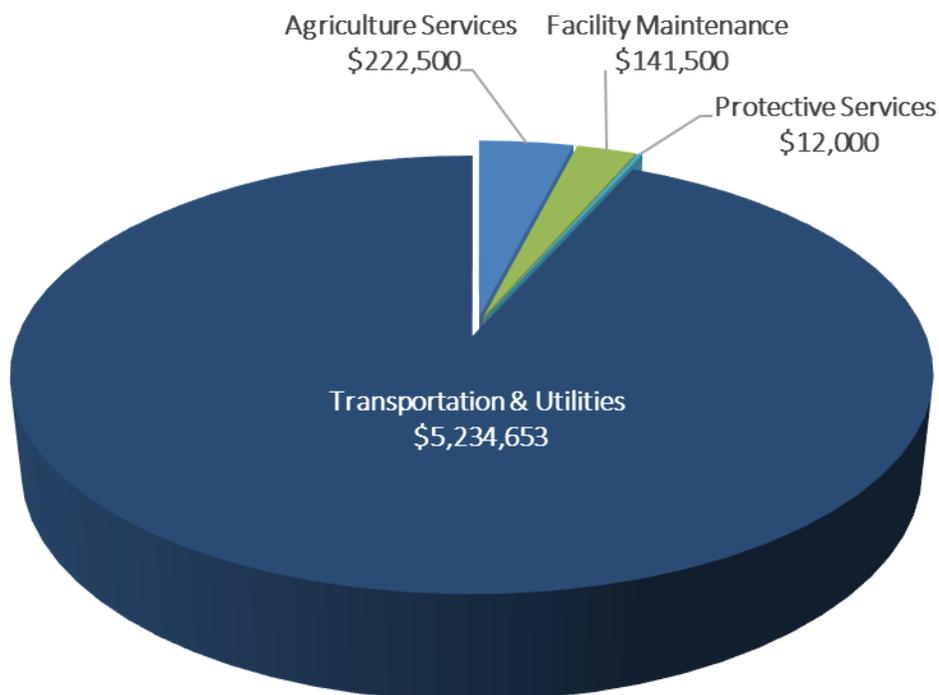
It is critical to rethink, revitalize and preserve capital assets in order to meet community priorities and continue to provide essential services each and every day. Building a capital budget involves allocating resources to meet both today's needs and needs of the future.

Challenges with capital

The County has been deferring capital projects for a number of years in order to keep costs low to ratepayers. However, the pressure of looming infrastructure maintenance is becoming a major reality as more than half of the County's assets are well past their lifecycle. Since roads are a larger portion of the budget, other infrastructure needs have received less attention, particularly equipment, buildings and technology. The longer the County defers these projects, the higher the risk they pose to the County in terms of safety and financial resources.

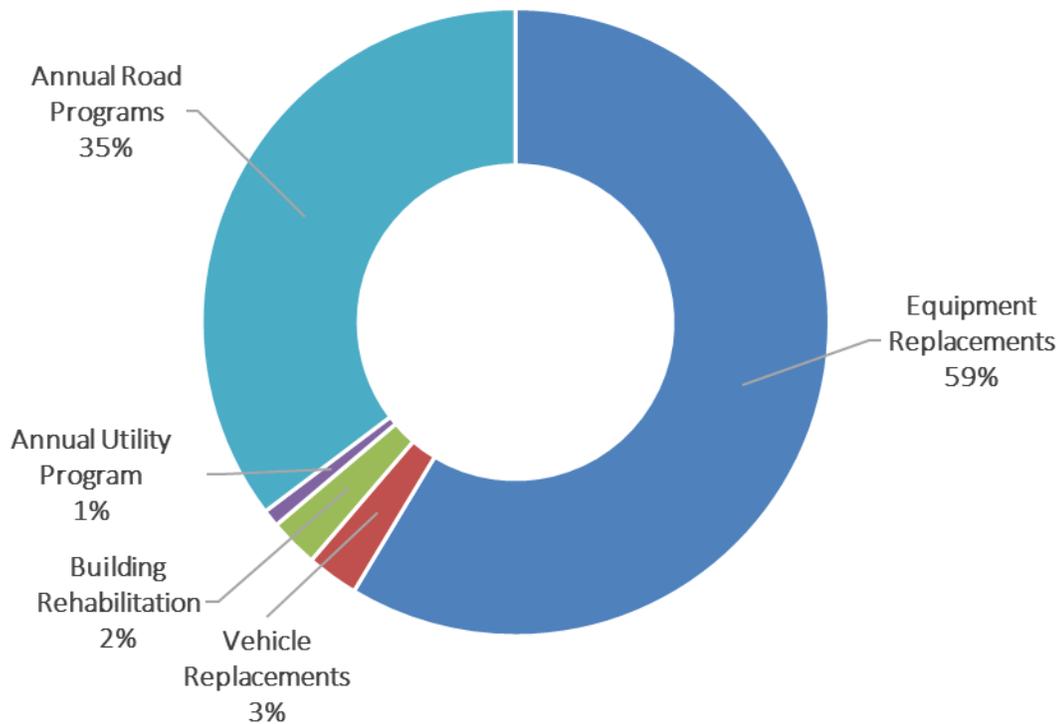
Inflation is another influence that not only affects the operating budget but capital as well. Costs for roads, building construction and land continue to rise. Nearly 3/4 of the capital budget is attributed to roadway infrastructure.

Capital Spending by Business Unit



Strategically planning capital

2021 Capital Budget by Asset Category



Planning for capital

The focus for 2021 capital is to play catch-up on deferred projects, particularly with equipment replacements, which are critical to County operations and service delivery. The County is in the process of updating and finalizing a 10-year capital plan and asset management schedule. Other efficiencies include implementing a capital committee and upgrading the budget software so that capital can be tracked and monitored electronically.

With so much aging infrastructure, the ultimate goal for capital budgeting is to finalize a long-term plan and follow the asset schedule. Creating balance among capital projects is a vital component to successful capital planning.

2021 capital projects and funding

As mentioned, this year’s capital budget focus is to play catch-up on projects that were deferred. In 2020, the County spent significantly less on capital projects. However, the increase in aging infrastructure still remains an issue that must be addressed when projects are deferred. It is also important to note that MSI funding is also used to support a portion of the annual gravel program.

The table below outlines the capital projects for 2021.

Department Project ID and Name	Total Project Cost	Funding Source						Net Municipal Contribution
		M.S.I.	Federal Gas	MSP	Reserves	Debt	Sale Proceeds	
Agriculture Services								
2101 Light Vehicle Replacement (unit 121)	60,000.00				55,000.00		5,000.00	
2102 Light Vehicle Replacement (Unit 117)	45,000.00				40,000.00		5,000.00	
2103 Light Vehicle Replacement (Unit 118)	45,000.00				40,000.00		5,000.00	
2105 Rental Sprayer Replacement	9,500.00				9,300.00		200.00	
2013 Roadside Sprayer Replacement (Unit 106)	52,000.00				46,000.00		6,000.00	
2108 UTV Trailer Replacement	11,000.00				10,000.00		1,000.00	
Sub-Total Agriculture Services	222,500.00	0.00	0.00		200,300.00	0.00	22,200.00	0.00
Facility Maintenance Services								
2110 Administration Building Renovations	141,500.00				141,500.00			
Sub-Total Facility Maintenance	141,500.00	0.00	0.00		141,500.00	0.00	0.00	0.00
Protective Services								
2111 Fire Station 6 Water Supply	12,000.00				12,000.00			
Sub-Total Protective Services	12,000.00	0.00	0.00		12,000.00	0.00	0.00	0.00
Transportation & Utilities								
2120 Shoulder Pull Program	1,131,933.00	1,131,933.00						
2121 Bridge Program	848,720.00		848,720.00					
2134 Valve Replacement Program	50,000.00				50,000.00			
Equipment Replacements								
2122 Grader Replacement # 1412	475,000.00					307,500.00	167,500.00	
2123 Grader Replacement # 1413	475,000.00					307,500.00	167,500.00	
2124 Grader Replacement # 1414	475,000.00					307,500.00	167,500.00	
2125 Grader Replacement # 1415	475,000.00					307,500.00	167,500.00	
2126 Grader Replacement # 1416	475,000.00					307,500.00	167,500.00	
2127 Grader Replacement # 1417	475,000.00					307,500.00	167,500.00	
2129 Gravel Truck with dump body # 1327	230,000.00				195,000.00		35,000.00	
2130 Gravel Trailer Tridem Pup # 1326A	65,000.00				55,000.00		10,000.00	
2131 Skid Steer Replacement	59,000.00				7,500.00		51,500.00	
Sub-total Transportation & Utilities	5,234,653.00	1,131,933.00	848,720.00		307,500.00	1,845,000.00	1,101,500.00	0.00
Total Capital Projects	5,610,653.00	1,131,933.00	848,720.00		661,300.00	1,845,000.00	1,123,700.00	0.00

5-Year Capital Plan

The 5-Year Capital Plan is designed to plan for future capital needs. Since capital projects are often expensive, Administration is diligently striving to finalize a 10-Year Capital Plan as well, which will further prepare the County to address the needs of the future.

5 Year Capital Plan (2021 - 2026)	Agriculture Services	Facility Maintenance	Protective Services	Transportation Services	Utility Services	TOTAL ESTIMATED ANNUAL CAPITAL
2022	\$ 38,000.00	\$ 355,000.00	\$ 217,000.00	\$ 3,999,382.00	\$ 90,000.00	\$4,699,382.00
Grant Funds (Estimated)	\$ -	\$ -	\$ -	\$ 2,054,382.00	\$ -	
Reserves	\$ 38,000.00	\$ 355,000.00	\$ 217,000.00	\$ 395,000.00	\$ 90,000.00	
Debentures	\$ -	\$ -	\$ -	\$ 1,550,000.00	\$ -	
2023	\$ 18,000.00	\$ -	\$ 398,000.00	\$ 2,526,007.00	\$ 50,000.00	\$2,992,007.00
Grant Funds (Estimated)	\$ -	\$ -	\$ -	\$ 2,116,007.00	\$ -	
Reserves	\$ 18,000.00	\$ -	\$ 398,000.00	\$ 410,000.00	\$ 50,000.00	
2024	\$ -	\$ 306,700.00	\$ -	\$ 2,839,470.00	\$ 50,000.00	\$3,196,170.00
Grant Funds (Estimated)	\$ -	\$ -	\$ -	\$ 2,179,470.00	\$ -	
Reserves	\$ -	\$ 306,700.00	\$ -	\$ 660,000.00	\$ 50,000.00	
2025	\$ 40,000.00	\$ 210,000.00	\$ 98,000.00	\$ 3,219,883.00	\$ 50,000.00	\$3,617,883.00
Grant Funds (Estimated)	\$ -	\$ -	\$ -	\$ 2,244,883.00	\$ -	
Reserves	\$ 40,000.00	\$ 210,000.00	\$ 98,000.00	\$ 975,000.00	\$ 50,000.00	
2026	\$ 10,500.00	\$ 5,000.00	\$ 300,000.00	\$ 5,087,240.00	\$ 50,000.00	\$5,452,740.00
Grant Funds (Estimated)	\$ -	\$ -	\$ -	\$ 2,312,240.00	\$ -	
Reserves	\$ 10,500.00	\$ 5,000.00	\$ 300,000.00	\$ 135,000.00	\$ 50,000.00	
Debentures	\$ -	\$ -	\$ -	\$ 2,640,000.00	\$ -	
Estimated 5 year Capital Plan =						\$ 19,958,182.00