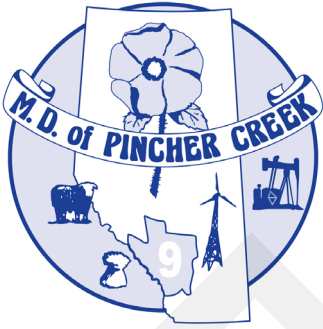


AGENDA
COUNCIL COMMITTEE MEETING
MUNICIPAL DISTRICT OF PINCHER CREEK
November 24, 2020
9:00 am

1. Approval of Agenda
2. Closed Session:
 - Draft Recreation Agreement with Crowsnest Pass – FOIP Section 17
3. 2021 Operations Budget Discussion
4. Adjournment

***Reminder: Working lunch with Director of Finance re: CAO Remuneration Strategy*



2021

Municipal District of Pincher Creek No. 9 Budget





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BUDGET APPROVED DATE

Dear MD Ratepayers;

Speaking to you today, I know that each of us are continuing to navigate the impacts of the COVID-19 pandemic and adapt to an ever changing environment. We thank you for continuing to prioritize safety and working with us as we continue to navigate these challenging times. Our MD has proven to be more resilient to the impacts of COVID-19 due the nature of our local industries. We have proceeded to budget with an eye on the future, including but not limited to: reduced grants and other provincial funding, changes to assessment models, police model download, etc. However, should the hardship from COVID-19 hit us this winter, we will adapt and adjust this budget accordingly at tax time.

With the release of the MD's 2021 budget, council and staff present a budget that continues to provide the services that you have come to expect and to do that in fiscally responsible manner. Some of the highlights of the 2021 Budget include:

Inter-Collaboration Frameworks (ICF)

Through the ICF process, the MD has financially committed to funding a larger percentage of town owned facilities. These facilities and activities include: recreation related services, Lebel Mansion, RCMP Building, and cemeteries.

Contribution to the Pincher Creek Community Early Learning Centre (PCCELC)

In 2020 the MD committed to a \$1M contribution to the PCCELC. \$500k was paid in 2020, with \$100k committed to be paid for the next five years.

Public Works

Our Public Works road crew has been busy maintaining roads, improving drainage, working with residents for placement of seasonal and permanent snow fencing to improve our safety during the winter. We are planning on establishing an internal road builder crew that will take major road rebuild and restructuring inhouse, to realize savings and allowing the flexibility of work being completed on our schedule. Training and equipment are part of this plan to ensure our team has the right training and proper tools to ensure quality work and service levels are maintained.

Public Works has done extensive research on various dust control products. In 2021 Public Works is switching products to a more calcium based chemical. By doing this, we will see efficiency increases as the application of this product will be faster and last longer.

Beaver Mines Project Update

Considerable effort was made by staff, council and residents to ensure the Beaver Mines Projects could successfully move forward. While funding became an area of great concern in 2020, the MD was able to secure another grant under the Alberta Municipal Water/Wastewater Partnership (AMWWP). We are now able to continue to move this project forward in 2021/22 without incurring debt.

Increased Transfers to Reserves

As the economic climate continues to shift, the 2021 budget includes an increase to reserve funds. It is anticipated that in 2022 onwards, many grants, which in the past the MD has been successful in receiving, and have relied on, will decrease or dissolve altogether. Funding our reserves more aggressively today will help mitigate significant fluctuations in municipal taxes.

Agricultural Services

In order to protect agriculture, the Agriculture and Environmental Services (AES) department continues to rise to the challenge of tackling weed issues within the municipality. This will be done through increased communication and education with landowners, taking advantage of partnership opportunities with provincial departments and other agencies, and the ongoing collaboration with our municipal neighbours in addressing weed concerns.

As always, it is our privilege to serve as members of Council and Staff. Together we are striving to improve service levels and to find better ways to engage our community. Please call our office with any concerns, questions or suggestions for improvement.

Budgeted Consolidated Statement of Operations

	2019	2020	2021	Variance	% Change
Net municipal property taxes	11,473,860	11,314,320	12,477,140	1,162,820	9.32%
User fees and sales of goods	567,270	357,170	569,450	212,280	37.28%
Government Transfers	635,010	489,850	422,210	(67,640)	-16.02%
Investment income	266,000	257,000	257,000	-	0.00%
Penalties and costs of taxes	78,000	92,000	90,900	(1,100)	-1.21%
Licenses and permits	63,250	65,550	64,800	(750)	-1.16%
Rental	315,870	316,770	316,290	(480)	-0.15%
Other	124,800	105,130	162,820	57,690	35.43%
Total Revenues	13,451,260	12,997,790	14,360,610	1,362,820	9.49%
Legislative	254,520	238,510	266,550	28,040	10.52%
Administration	2,287,180	2,144,490	2,219,205	74,715	3.37%
Police, Fire, Disaster, Ambulance, Bylaw	304,170	431,610	286,020	(145,590)	-50.90%
Roads, streets, walks and lighting	5,957,020	5,291,165	6,086,395	795,230	13.07%
Airport	71,540	83,240	86,850	3,610	4.16%
Storm sewers and drainage	9,930	8,600	16,600	8,000	48.19%
Water supply and distribution	379,100	459,290	526,930	67,640	12.84%
Waste management	342,100	368,430	342,500	(25,930)	-7.57%
Family and Community Services Support	134,000	134,000	134,000	-	0.00%
Cemeteries	45,960	55,140	55,140	-	0.00%
Land use planning, zoning and developmen	540,420	357,020	390,160	33,140	8.49%
Agricultural and environmental services	575,990	528,790	467,920	(60,870)	-13.01%
Parks and recreation	385,200	382,500	431,500	49,000	11.36%
Culture	429,050	424,320	511,670	87,350	17.07%
Total Expenses	11,788,980	10,907,105	11,821,440	914,335	7.73%
Earnings Before Depreciation	1,662,280	2,090,685	2,539,170	448,485	17.66%
Depreciation	3,300,000	3,350,000	3,350,000	-	0.00%
Deficiency of Revenue Over Expenses	(1,637,720)	(1,259,315)	(810,830)	448,485	-55.31%

***The above summary is based on financial statement standards. It does not include transfers to/from reserves as they are not true revenue/expenses, principal payments or any capital items.*

Operating Budget Summary by Department

	2019	2020	2021	Variance	2020 vs 2021 Variance Highlights
Requisitions	3,554,500	3,709,110	4,029,110	320,000	Revenue collected for requisitions
Council	10,000	10,000	10,000	-	
General	557,590	352,130	351,030	(1,100)	
Administrative Services	101,860	39,860	25,760	(14,100)	Unfavorable due to removal of DIP assessment by province
Planning & Development	211,250	65,550	134,710	69,160	Favorable due to increased reserve and grant transfers
Law Enforcement	51,020	10,150	10,250	100	
Fire	40,000	40,000	40,000	-	
REMO	58,000	70,880	68,650	(2,230)	
Public Works	886,360	714,560	674,880	(39,680)	Unfavorable due to no reserve transfers to fund recurring cold mix work, offset slightly by a reserve transfer for Thompson pit reclamation work and a coding change for landfill road.
Agriculture & Environmental Services	291,960	231,860	309,900	78,040	Favorable due to weed notice revenue and addition of contracts, offset slightly by decreasing grant funds.
Lundbreck	100,000	-	-	-	
Airport	44,950	44,950	94,950	50,000	Favorable to do the contributions from neighboring municipalities for the Regional Airport Committee
Waste Management	79,620	84,940	73,070	(11,870)	Unfavorable due to a coding adjustment for landfill road.
Water Services	102,600	102,600	202,500	99,900	Favorable due to the new Castle line now in-service and a new utility bylaw.
Wastewater Services	38,000	38,000	39,400	1,400	
Community Services	251,150	251,490	311,730	60,240	Favorable mainly due the reserve transfer for the PCCELC, offset slightly by the reduced joint funding allocation.
Parks & Recreation	35,500	7,500	-	(7,500)	
Cemeteries	-	-	-	-	
Total Revenues	6,414,360	5,773,580	6,375,940	602,360	
Requisitions	3,554,500	3,676,070	4,029,110	353,040	Expenses paid for requisitions
Council	264,520	248,510	276,550	28,040	Unfavorable due to adding back training, conferences, travel, etc. that were removed in 2020 as a result of COVID-19 as well as 2021 election.
Administrative Services	2,452,060	2,265,545	2,413,435	147,890	Unfavorable due to air photo's and increases to salary and job specific training programs.
Planning & Development	540,420	357,020	390,160	33,140	Unfavorable due to IDP costs, offset through grant revenue
Law Enforcement	237,540	311,540	168,050	(143,490)	Favorable due to the removal of Enhanced Policing and coding adjustments for the Humane Society, offset slightly by increased police costs.
Fire	51,500	101,750	102,020	270	Unfavorable due to unrecoverable fire costs in right-of-ways
REMO	114,000	134,200	142,510	8,310	
Public Works	5,739,660	5,187,635	6,223,795	1,036,160	Unfavorable mainly due to increased personnel costs, change in the dust control process, increased reclamation work required and increased maintenance costs on Southfork hill and bridges.
Agriculture & Environmental Services	580,990	533,790	587,920	54,130	Unfavorable mainly due to increased personnel costs and contracts for weed notices, offset slightly by decreased IT costs.
Lundbreck	217,360	103,530	112,600	9,070	
Airport	71,540	83,240	161,850	78,610	Unfavorable due to a transfer into Regional Airport Committee reserve.
Waste Management	414,900	423,550	405,750	(17,800)	
Water Services	379,100	459,290	526,930	67,640	Unfavorable due increased costs as a result of new water infrastructure and dam study required, offset slightly by not using a debenture for the Beaver Mines projects.
Wastewater Services	9,930	8,600	16,600	8,000	
Community Services	563,050	558,320	645,670	87,350	Unfavorable due to new contributions to the Town for RCMP, CRC and the Lebel as outlined in the ICF agreements, contribution to PCCELC, coding adjustment for the Humane society, offset slightly by the reduced joint funding allocation.
Parks & Recreation	518,630	515,930	564,930	49,000	Unfavorable due to new contribution for recreation in CNP.
Cemeteries	45,960	55,140	55,140	-	
Total Expenses	15,755,660	15,023,660	16,823,020	1,799,360	
Deficiency of Revenue Over Expenses	9,341,300	9,250,080	10,447,080	1,197,000	
Tax Levy for Capital	1,537,260	1,573,140	1,658,140	85,000	
Debt Principal	563,360	458,060	368,790	(89,270)	
Municipal Tax Levy	11,441,920	11,281,280	12,474,010	1,192,730	

Note: Amortization expense to be included in budget but not 3,350,000 3,350,000

Operating Budget Summary by Type

	2019	2020	2021	Variance	2020 vs 2021 Variance Highlights
Property Taxes Excluding Municipal Grants	3,586,440	3,709,110	4,029,110	320,000	
Sale of Goods & Services	500,860	355,360	317,480	(37,880)	Reduced AES Grants (Merit and Basic)
User Fees	318,800	235,200	429,580	194,380	Favorable due to addition of AES spraying contracts.
Permits & Fines	202,170	203,470	263,270	59,800	Favorable mainly due changes in the utility bylaw
Leases & Rentals	10,150	10,150	10,250	100	
Intermunicipal Charges	54,170	54,170	54,190	20	
Contributions From Local Governments	256,000	256,000	256,000	-	
Tax Penalties & Costs	312,710	302,640	309,630	6,990	
Investment Income	78,000	95,130	94,030	(1,100)	
Miscellaneous Revenue	266,000	257,000	257,000	-	
Transfers From Reserves	11,040	37,850	37,070	(780)	Favorable due to weed notices
	818,020	257,500	318,330	60,830	Transfers from reserves for reclamation work and the PCCELC.
Total Revenues	6,414,360	5,773,580	6,375,940	602,360	
Salaries & Benefits					Unfavorable mainly due to increased head count in PW and AES and other 2021 salary adjustments.
General Purchases	4,429,510	4,186,110	4,559,645	373,535	
Contracted Services	3,296,500	3,197,090	3,795,365	598,275	Unfavorable due to increased road work and product change for dust suppression in 2021
Contributions to Town/Agencies	2,578,570	2,224,830	2,218,060	(6,770)	Unfavorable to increased weed notices, COA, and increased road projects
Training	731,550	569,070	656,690	87,620	Unfavorable due to new contributions to the Town for RCMP, CRC and the Lebel as outlined in the ICF agreements, contribution to PCCELC, coding adjustment for the Humane society, offset slightly by the reduced joint funding allocation.
Safety	41,800	58,005	108,000	49,995	Employee specific training plan was cut in half in 2020 as a result of COVID
Information Technology	28,610	56,250	50,850	(5,400)	
Legal Fees	258,410	229,020	279,220	50,200	Unfavorable mainly due to the purchase of air photo's, offset slightly by an overall decrease in computer costs.
Interdepartmental Charges	70,000	51,000	51,000	-	
Bank Charges and Interest	256,000	256,000	251,000	(5,000)	
Tax Rebates, Bad Debts, & Penalties	153,030	197,730	120,510	(77,220)	Favorable mainly due to the 2020 budget including interest expenses for the Beaver Mines Projects debenture, however this is now funded through MSI.
Transfer to Operating Reserves	18,000	18,000	18,000	-	
Requisitions	339,180	304,485	685,570	381,085	Increased transfers to reserves
Total Expenses	3,554,500	3,676,070	4,029,110	353,040	
Deficiency of Revenue Over Expenses	9,341,300	9,250,080	10,447,080	1,197,000	
Tax Levy for Capital	1,537,260	1,573,140	1,658,140	85,000	
Debt Principal	563,360	458,060	368,790	(89,270)	
Municipal Tax Levy	11,441,920	11,281,280	12,474,010	1,192,730	

Note: Amortization expense to be included in budget but not funded.

3,350,000

Property Tax

Municipal	2020 Actuals	Bylaw	Variance	Tax Revenue 2021	Additional Revenue from 2020 Actuals
Residential	2,583,120	2,586,687	(3,567)	2,634,780	51,660
Farmland	400,610	400,600	10	408,620	8,010
Non-Residential (NR)	8,175,308	8,203,087	(27,779)	9,338,810	1,163,502
NR - Small Commercial	84,995	84,995		86,700	1,705
Minimum Tax	5,100	5,910	(810)	5,100	-
	11,249,134	11,281,279	(32,145)	12,474,010	1,224,876

Municipal	Tax Levy	Assessment	Tax Rate	Comments
Residential	2,634,780	549,984,570	4.7906	
Farmland	408,620	58,788,500	6.9507	
Non-Residential	9,338,810	983,594,885	9.4946	
NR - Small Commercial	86,700	9,282,220	9.3404	
Minimum Tax	5,100			
Total	12,474,010	1,601,650,175		

Alberta School Foundation Fund

Residential and Farmland	1,606,520	608,773,070	2.6389
Non-Residential	1,189,345	316,774,290	3.7546

Pincher Creek Foundation

	322,000	1,601,650,175	0.2010
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Pincher Creek Emergency Services (

	492,970	1,601,650,175	0.3078
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Designated Industrial Property

	85,240	858,470,020	0.0993
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Grand Total 16,170,085

The M.D. is required to raise the revenue needed to pay requisitions to the Alberta School Foundation Fund, Pincher Creek Foundation, Pincher Creek Emergency Services and Designated Industrial Property.

General

2020 Net Budget	\$	12,825,040
2019 Net Budget	\$	11,581,450
% Change		10.7%

The 'General' section of the budget addresses the following items:

- The Alberta School Foundation Fund, Designated Industrial Property, Senior Housing and Emergency Services requisitions which are collected from special tax levies on behalf of these agencies.
- Tax arrears, penalty, revenues, and property assessment adjustments
- Investment income and interest expenses
- Unconditional grants that are not identified to a specific department.

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Municipal Property Taxes	11,199,410	12,474,010	2% Increase + 1M in real growth
Tax Penalties and Costs	62,000	74,030	1st penalty waived in 2020
Investment Income	257,000	257,000	
Taxation Collected for Requisition	3,709,110	4,029,110	
Provincial Education Req. Credit (PERC)	30,000	20,000	Refund of uncollectable education property taxes due to 2019 write off's
Total Revenues	\$ 15,257,520	\$ 16,854,150	
Requisitions	3,676,070	4,029,110	
Net Revenue	\$ 11,581,450	\$ 12,825,040	

Council

2020 Net Budget	(266,550)	The Council budget area deals with all costs associated and incurred by Municipal Council including stipends, per diems and fees for meetings and conferences.
2019 Net Budget	(238,510)	
% Change	11.8%	

M.D. Council members sit on various internal and external boards including: Agricultural Services Board, Agricultural Service Appeal Committee, Airport Committee, Alberta Southwest Regional Alliance, Beaver Mines Community Association, Castle Mountain Community Association, Chinook Arch Regional Library Board, Crowsnest Pincher Creek Landfill Association, Economic Development, Facilities Planning Study Steering Committee, Family & Community Support Services, Housing Committee, Inter Collaborative Framework Committee, Inter Municipal Development Committee, Lundbreck Citizens Council, Oldman River Regional Services Commission, Pincher Creek Emergency Services Commission, Pincher Creek Foundation, Pincher Creek Municipal Library Board, Pincher Creek Regional Emergency Management Organization, Recycling Management Committee and Regional Emergency Livestock Plan.

2020 Key Accomplishments

- Council has led the Bylaw and Policy Review Process with a number of policies being updated and new Bylaws introduced.
- Council led the charge in engaging other levels of government to secure funding to complete the BM Water and Waste Water Project.
- Council was very engaged in completing 5 of 6 ICF's required by our MD and 6 of the 6 IDP's. The 6th and final ICF should be completed in early 2021 with Crowsnest Pass.
- Council also engaged Miistakis Institute this year to assist in developing a Land Use Planning Tool in regards to Renewable Energy Development within MD.
- Council was very involved in resurrecting our Airport Committee and we look forward to these efforts with our neighbors bearing fruit in 2021.
- Council continues to look at finding efficiencies for both solid waste and recycling in our community.

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Sales of Good & Services	10,000	10,000	
Total Revenues	10,000	10,000	
Personal Costs	170,800	170,800	No changes to Council Remuneration
Training, Workshops, Conferences, Etc. Paid	8,750	13,500	\$750 x 10 (RMA Spring & Fall) + \$1000 FCM + \$5000 Council Requested Training/Workshops
Mileage	16,250	16,250	6500km x .50/km x 5
Hotels and Accommodation	14,000	17,000	\$500/night x 30 nights RMA + \$2000 Misc. + FCM
Meals	10,000	10,000	\$250/meal X 32 meals per year + \$2000 (Misc. + FCM)
Airfare	4,000	7,000	\$500 X 10 (RMA Flights) + 2000 (FCM)
Information Technology	500	2,500	1 Computer Replacement
Election Costs	3,000	17,500	↑ 2021 Election Year
Memberships and Subscriptions	18,710	19,500	Mainly RMA and AB South West
General Purchases	2,500	2,500	\$500 X 5 Divisions (Coffee with Council)
Total Expenses	248,510	276,550	
Net Operations	(238,510)	(266,550)	

Administration

2020 Net Budget	(2,387,675)	Administration Services provided are: <ul style="list-style-type: none"> • Finance • Reception • Information Technology • Health and Safety • Human Resources
2019 Net Budget	(2,225,685)	
% Change	7.3%	

2020 Key Accomplishments • Employees successfully adapted to the changing environment that resulted from the COVID-19 pandemic. Administration worked with Council to overhaul various policies.

2021 Initiatives

- #1 Software Upgrade - Remap COA in Diamond to feed correctly into financial statements and provide better adhoc reporting.
- #2 Develop an Asset Management Plan - Asset Management effects all departments within the MD. The focus for 2021 will be participation in the asset management cohort program.
- #3 Continue to improve policy - Some of the MD's policies are outdated. They all need to be reviewed and updated.

Summary Budget

	Budget 2019	Budget 2020	Budget 2021	2020 vs 2021 Variance Highlights
Sales of Good & Services	10,100	10,100	10,980	
Leases, Rentals and Other	14,760	14,760	14,780	
Government Grants	10,000	10,000	-	↓ DIP transfer to province
Transfer from Reserves	67,000	5,000	-	
Total Revenues	\$ 101,860	\$ 39,860	\$ 25,760	
Personnel Costs	1,293,880	1,267,990	1,291,070	
General Purchases	256,020	230,630	223,180	
Insurance	125,410	137,960	144,855	General ↑ on all policies
Training	8,100	13,690	25,250	↑ Employee allocated training
Safety	7,260	13,880	12,430	
Information Technology	171,870	117,900	176,520	↑ Air photos offset slightly by the 2019 IT refresh and upgardes.
Legal Fees	53,000	41,000	41,000	
Contracted Services	337,800	292,440	301,900	
Bank Charges	15,840	11,000	10,000	
Tax Rebates, Bad Debts	18,000	18,000	18,000	
Subtotal Expenses	\$ 2,287,180	\$ 2,144,490	\$ 2,244,205	
Transfer to Reserves	164,880	121,055	169,230	Transfer to Tax Rate Stabilization
Total Expenses	\$ 2,452,060	\$ 2,265,545	\$ 2,413,435	
Net Operations	(2,350,200)	(2,225,685)	(2,387,675)	

Planning

2020 Net Budget	(255,450)	Planning & Development department ensures all development within M.D. conforms with the policies and requirements of the municipal planning documents and Provincial legislation or regulations that affect land development within the M.D. Services provided include: <ul style="list-style-type: none"> • Development and utility permits • Compliance certificates • Geographical Information System inquiries • Land use bylaw amendments • Liaison between the public and Council regarding road closures
2019 Net Budget	(291,470)	
% Change	-12.4%	

2020 Key Accomplishments

- Adopted the new Castle Mountain Resort Area Structure Plan. Continued extensive background work to update Municipal Development Plan. Developed Municipal Land Use Suitability Tool (MLUST) for renewable energy development, in conjunction with our planner and the Miistakis Institute.

2021 Initiatives

- #1 Completion and adoption of the updated Municipal Development Plan (MDP)
- #2 MD and Cowley Intermunicipal Development Plan (IDP)

Other Highlights Oldman River Regional Services Commission is contracted to provide the following services:

- Subdivision processing
- Statutory plans and bylaw amendments as required
- Advice and assistance
- Regional Subdivision and Development Appeal Board

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Sales of Good & Services	8,500	8,500	
Fees and Other	7,050	6,300	
Safety Codes	50,000	50,000	
Government Grants	-	36,580	IDP grant to cover expenses
Transfer from Reserves	-	33,330	Carryforward to cover MDP expenses
Total Revenues	65,550	134,710	
Personnel Costs	140,830	149,050	
General Purchases	12,200	12,450	
Safety	-	-	
Training	1,190	3,250	
Legal Fees	10,000	10,000	
Contracted Services	172,800	195,410	↑ due to IDP and MDP costs
Right of Way Purchases	20,000	20,000	
Subtotal Expenses	357,020	390,160	
Net Operations	(291,470)	(255,450)	

Law Enforcement

2020 Net Budget	(157,800)	Bylaw enforcement operates on a complaint basis and observations by MD personnel. The related bylaws are: <ul style="list-style-type: none"> • Land use • Community services • Unsightly premises • Noise The Animal Control Officer is a contract position dealing with complaints that fall under the Animal Control bylaw.
2019 Net Budget	(301,390)	
% Change	-47.6%	

2020 Key Accomplishments • A sale of service agreement was signed with the Town of Pincher Creek. This agreement provides MD residents with bylaw enforcement related to animal control.

2021 Initiatives

#1 Develop and implement a hamlet traffic bylaw

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Licenses	150	250	
RCMP Fines	10,000	10,000	
Government Grants	-	-	
Total Revenues	10,150	10,250	
General Purchases	21,400	-	↓ Coding adjustment - Humane Society
Police Costing	110,000	162,050	↑ Provincial download - Police Funding Model (15% Recovery)
Contracted Services	180,140	6,000	↓ Enhanced Policing and changes to animal control
Subtotal Expenses	311,540	168,050	
Net Operations	(301,390)	(157,800)	

Fire

2020 Net Budget	(112,020)	<p>The Pincher Creek Emergency Services Commission (PCESC) provides fire services for the Town and M.D. The Town and M.D. share the net cost of the Commission based on a predetermined formula. The levy is included in the General section of this budget.</p> <p>Items included in the Fire budget are:</p> <ul style="list-style-type: none"> • Revenue/expense for M.D. residents requiring fire services • M.D. fire hall utility costs • Contribution to Pincher Creek Search & Rescue
2019 Net Budget	(111,750)	
% Change	0.2%	

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Sale of Service	40,000	40,000	
Total Revenues	40,000	40,000	
General Purchases	1,000	1,000	
Contracted Services	40,000	40,000	
Contributions to Agencies	10,750	11,020	2.5% ↑ to PC Search and Rescue
Transfer to Op Reserves	50,000	50,000	Transfer to Reserve
Subtotal Expenses	101,750	102,020	
Net Operations	(111,750)	(112,020)	

REMO

2020 Net Budget	-\$	73,860	The MD administers the Pincher Creek Regional Emergency Management Center with all related costs shared on a 49/49/2 basis between the MD, the Town, and the Village of Cowley. This Center is activated for emergency and disaster situations.
2019 Net Budget	-\$	63,320	
% Change		16.6%	

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Contributions from Local Governments	65,880	68,650	
Government Grants	5,000	-	
Total Revenues	\$ 70,880	\$ 68,650	
Personal Costs	88,500	88,600	
Training & Education	14,600	19,000	
Travel & Subsistence	1,500	1,500	
Response Facilities & Supplies	9,200	9,700	
Office Supplies	3,600	3,600	
Planning & Coordination	6,400	6,500	
Miscellaneous Expenses	1,000	1,100	
Public Education	6,000	1,000	
Volunteer & Community Engagement	3,400	3,600	
Subtotal Expenses	\$ 134,200	\$ 134,600	
Transfer to Reserves	-	7,910	
Net Operations	-\$ 63,320	-\$ 73,860	

Public Works

2021 Net Budget	(7,319,215)	The Public Works department provides oversight to all municipal infrastructure including 5 hamlets, 5 dams, approx. 1,200 km of roads, 175 bridges, the airport, regional water system, wastewater systems, all buildings and the equipment fleet. In 2020, the Public Works Department made significant reductions to operations as a result of COVID-19.
2020 Net Budget	(6,138,475)	
% Change	19.2%	

- 2020 Key Accomplishments**
- The gravel program was completed under budget and with a 50% savings from previous year.
 - The dust control program was completed internally, on schedule and on budget.
 - Numerous road and drainage improvements were completed throughout the MD
 - Hard surface returned to gravel on Maycroft, Gladstone, Christie Mines, and the entrance to Heritage Acres.
 - Improvements were made to training requirements, this helped ensure all employees were properly trained in correct operating procedures, safety procedures, and inspection requirements.

2021 Initiatives

- #1 Increase efficiency on the dust control process. Changing chemicals to calcium chloride will cut the dust control process in half as well as eliminate the need for contractor involvement.
- #2 Continue to improve on road drainage across all divisions.
- #3 With the reduced head count in 2020, we are now looking to strategically add back positions. By adding some of this head count back, we can continue to build on better service levels to our residents and help plan for succession.

Summary Budget

	Budget 2019	Budget 2020	Budget 2021	2020 vs 2021 Variance Highlights
Sales of Good & Services	15,600	17,600	42,600	↑ Landfill Road Agreement
Sale of Gravel & Asphalt	45,000	45,000	45,000	
Sale of Dust Control	76,500	50,000	50,000	
Government Grants	52,500	50,000	50,000	
Contribution from agencies	57,760	55,960	51,280	Debt Revenue from the Landfill
Transfer from Reserves	388,000	245,000	185,000	↓ Removal of recurring PW work funded by reserves. 2021 transfer relates to gravel reclamation on Thompson pit
Interdepartmental Changes	251,000	251,000	251,000	
Total Revenues	886,360	714,560	674,880	
Personnel Costs	2,468,580	2,317,730	2,560,825	
General Purchases	910,400	1,067,150	986,650	
Contracted Services	349,000	179,000	202,000	↑ Line painting on landfill road, airport, 3A, Cottonwood, Tower Road
Safety	14,500	30,280	28,180	
Training	17,950	21,625	33,250	
Information Technology	80,400	85,730	96,670	
Gravel Hauling	300,000	240,000	270,000	↑ 1 week added to the process for more road rehabilitation
Gravel Crushing	502,500	502,500	527,500	↑ 4% annual increase on contract
Gravel Royalties	270,000	220,000	270,000	↑ Increasing royalty costs
Gravel Pit Reclamation	50,000	22,000	185,000	↑ Thompson and McCulloch pit
Bridge Repairs	28,000	28,000	50,000	↑ Maintenance costs on outdated bridge infrastructure
Engineering & Surveying	26,000	46,000	46,000	
Dust Control & Cold Mix Product	642,950	353,000	648,000	↑ Change to the product used for dust control, asphalt repairs needed on Southfork Hill, and a coding adjustments to include landfill road maintenance here.
Long Term Debt Interest	79,380	74,620	69,720	
Subtotal Expenses	5,739,660	5,187,635	5,973,795	
Transfer to Reserves	1,429,120	1,500,000	1,850,000	
Long Term Debt Principal	160,640	165,400	170,300	
Total Expenses	7,409,420	6,853,035	7,994,095	
Net Operations	(6,523,060)	(6,138,475)	(7,319,215)	

Agricultural and Environmental Services

2020 Net Budget	(278,020)	The Agricultural and Environmental Services department provides oversight to the municipal obligations of the Weed Control Act, Pest Act and the Soil Conservation Act. Services include: <ul style="list-style-type: none"> • Weed control (primary task) • Extension services for residents to assist with farm and ranch productivity • Manage the MD dams and water requirements to benefit residents downstream.
2019 Net Budget	(301,930)	
% Change	-7.9%	

- 2020 Key Accomplishments**
- Successfully hosted the South Region ASB Virtual Conference.
 - Change in premix sale process to one day a week lead to increased staff efficiency and phone in prepayment.
 - Yard cleanup and removal of old storage items at Airport
 - Seasonal staff very effective in 2020

2021 Initiatives

- #1 To work directly with the province to establish protocols for weed control on provincial land.
- #2 Return of contract work. With an increase to staff count, the MD will have the ability to control weeds within our boundaries, even if they are not our lands.
- #3 New spray truck will be fully engaged for 2021 season.

Summary Budget

	Budget 2019	Budget 2020	Budget 2021	2020 vs 2021 Variance Highlights
Sales of Good & Services	73,600	11,500	151,000	↑ Addition of contracts with V.P.L, AB Transportation & Parks
Government Grants	183,360	183,360	123,900	↓ in provincial grant
Deadstock Program	30,000	30,000	35,000	
Misc. Revenue	-	7,000	-	↓ South Region Conference
Transfer from Reserves	5,000	-	-	
Total Revenues	291,960	231,860	309,900	
Personnel Costs	329,070	288,760	299,300	
Training	8,000	8,250	9,250	
General Purchases	120,930	119,800	113,100	
Contracted Services	30,000	20,000	62,500	↑ Additional spraying contracts and contract with CoolPro solutions
Safety	6,850	12,090	10,240	
Information Technology	6,140	24,890	3,530	↓ MRF setup costs for the spray truck
Chemical	70,000	50,000	80,000	↑ Additional contracted spraying increases need for chemical
Interdepartmental	10,000	10,000	10,000	
Subtotal Expenses	580,990	533,790	587,920	
Net Operations	(289,030)	(301,930)	(278,020)	

Hamlet of Lundbreck

2020 Net Budget	(112,600)	Public Works provides operational and maintenance services to the Hamlet of Lundbreck regarding the following infrastructure: <ul style="list-style-type: none"> • Streets and lanes • Grader shelter • De-commissioned water treatment facility currently used for storage
2019 Net Budget	(103,530)	
% Change	8.8%	

2020 Key Accomplishments • Paved 3rd Street and improved drainage with concrete swales.

2021 Initiatives

#1 Continue to improve drainage and street conditions as part of the capital budget.

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Total Revenues	-	-	
General Purchases	25,130	34,500	↑ Utility costs on streetlights and increase to building maintenance for shop light replacements
Contracted Services	3,400	3,100	
Interdepartmental	75,000	75,000	
Subtotal Expenses	103,530	112,600	
Net Operations	(103,530)	(112,600)	

Airport

2020 Net Budget	(66,900)	The Pincher Creek Airport is managed by the M.D. There is minimal activity; therefore, there is little revenue generated. M.D. is responsible for: <ul style="list-style-type: none"> • Grass Cutting • Maintenance of Facility • Snow Removal
2019 Net Budget	(38,290)	
% Change	74.7%	

2020 Key Accomplishments • The Regional Airport Committee has been re-established! KS2 Management has been engaged as a consultant to oversee expansion and possible management of the airport.

2021 Initiatives

#1 The Town of Pincher Creek, Municipality of Crowsnest Pass and the MD have each agreed to put forward 25k towards airport development.

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Leases	39,950	39,950	
Misc. Revenue	-	50,000	↑ Airport expansion contributions from the Town and CNP
Interdepartmental Changes	5,000	5,000	
Total Revenues	44,950	94,950	
General Purchases	26,240	28,150	
Contracted Services	16,800	18,500	
Interdepartmental	40,000	40,000	
Subtotal Expenses	83,240	86,850	
Transfer to Reserves	-	75,000	↑ Transfer airport development contributions into reserve
Net Operations	(38,290)	(66,900)	

Waste Management

2020 Net Budget	(332,680)	Solid waste services are provided within this department by the Crowsnest Pincher Creek Landfill Association as a contractor to the M.D. The most significant service provided is the placement of roll off bins for residents to place their solid waste for pick-up. Curbside pickup is provided to the Hamlets of Beaver Mines and Lundbreck. Recycling services are provided by a contractor KJ Cameron. The annual cost is shared between the M.D. (47%) and the Town (53%).
2019 Net Budget	(338,610)	
% Change	-1.8%	

2020 Key Accomplishments • The proposed Utility Bylaw includes standardizing garbage collection rates across hamlets.

2021 Initiatives

- #1 Review the landfill billing changes in early 2021 to ensure changes are fair for all rate payers
- #2 Find a long-term solution for transfer stations and other bins within the MD.

Summary Budget

	Budget 2020	Budget 2021	
Waste Management Fees	9,820	9,820	
Contribution from Agencies	75,120	63,250	↓ Coding change - landfill road maintance and revenue part of PW.
Total Revenues	84,940	73,070	
Garbage Collection	295,100	288,500	↓ Tipping fee reduction from enhanced control at the CNPC Landfill.
Contracted Services	15,250	250	↓ Coding change - landfill road maintance and revenue part of PW.
Recycling Services	108,200	117,000	↑ in recycling fees for cardboard
Interdepartmental	5,000	-	
Interest Exp	-	-	
Subtotal Expenses	423,550	405,750	
Net Operations	(338,610)	(332,680)	

Water Services

2020 Net Budget	(581,060)	The Water Services Segment provides potable water for the Hamlet of Lundbreck, Castle Parks, Castle Mountain Resort and contracts potable water treatment and delivery services to the Village of Cowley. Additional services are being currently installed for the Hamlet of Beaver Mines. Water services also temporarily includes Dams (Other Environmental Use and Protection) for financial reporting purposes.
2019 Net Budget	(682,490)	
% Change	-14.9%	

2020 Key Accomplishments • A Water Utility Bylaw is currently in 2nd reading and will likely take effect on Jan 1, 2021. This bylaw promotes increased cost sharing among users and is intended to partially fund reserves for future infrastructure replacement.

2021 Initiatives

#1 Seamless implementation of the Water Utility Bylaw

#2 Complete and submit the result of the dam study to Alberta Environment and Parks (required to be done every 10 years).

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Sales of Good & Services	102,600	202,500	General ↑ due to new Water Utility Bylaw
Total Revenues	102,600	202,500	
Training	4,500	4,500	
General Purchases	129,680	161,640	
Contracted Services	97,500	115,000	General ↑ due to new pipeline.
Interdepartmental	115,000	115,000	
Long Term Debt Interest	112,110	40,790	↓ Beaver Mines Debenture no longer required
Miscellaneous*	500	90,000	↑ Dam Study Required by Alberta Environment and Parks
Subtotal Expenses	459,290	526,930	
Transfer to Capital Reserves	33,140	58,140	General ↑ due to new Water Utility Bylaw
Transfer to Capital	-	-	
Long Term Debt Principal	292,660	198,490	↓ Beaver Mines Debenture no longer required
Total Expenses	785,090	783,560	
Net Operations	(682,490)	(581,060)	

Wastewater Services

2020 Net Budget	22,800	Wastewater services are provided to the Hamlet of Lundbreck by Public Works personnel. These services include: <ul style="list-style-type: none"> Inspections Flushing General maintenance
2019 Net Budget	(10,600)	
% Change	-315.1%	

2020 Key Accomplishments • In 2020 the MD continued to move the Beaver Mines Waste Water Solution forward towards regulatory approval. The MD is hoping to see final approval from Alberta Environment and Parks in 2020.

2021 Initiatives

#1 The new wastewater system for the hamlet of Beaver Mines is currently awaiting AEP approval. Construction is slated for 2021 . The project is on track with an estimated in service date in 2021/22.

Summary Budget

	Budget 2020	Budget 2021	
User Fees	38,000	39,400	Variance Highlights
Total Revenues	38,000	39,400	
General Purchases	8,600	16,600	
Interest Expense	-	-	
Subtotal Expenses	8,600	16,600	
Transfer to Capital Reserves	40,000	-	- Coding adjustments reserve now combined with Water
Net Operations	(10,600)	22,800	

Community Services

2020 Net Budget	(333,940)	Community Services includes the following services: <ul style="list-style-type: none"> Family and Community Support Services Joint Funding Program – The MD and the Town decide together to fund local organizations on a per capita basis. Chinook Arch Regional Library & Pincher Creek Library Community funding and donations ICF Funding Objectives Pincher Creek Community Early Learning Centre contribution
2019 Net Budget	(306,830)	
% Change	8.8%	

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Joint Funding (Town Portion)	144,490	104,730	Town portion of joint funding -per capita ↓ to \$28.76
Government Grants	107,000	107,000	FCSS Provincial
Reserve Transfer	-	100,000	
Total Revenues	251,490	311,730	
Contributions to Agencies	134,670	297,140	↑ PCCELC Contribution, ICF with the Town for Lebal, RCMP and CRC, coding adjustment Humane Society
Joint Funding	262,120	190,000	↓ Per capita decrease to \$28.76
Grants to Groups	27,530	24,530	↓ Contribution change to the food bank
FCSS Grants	134,000	134,000	
	-	-	
Subtotal Expenses	558,320	645,670	
Net Operations	(306,830)	(333,940)	

Parks & Recreation

2020 Net Budget	(564,930)	Maintained by MD personnel: <ul style="list-style-type: none"> • Patton Park in the Hamlet of Lundbreck • Foothills Park on RR 28-4 • Beaver Mines Park Contracted Maintenance: <ul style="list-style-type: none"> • Castle River Rodeo Grounds & Campground • Bobby Burns Fish Pond
2019 Net Budget	(508,430)	
% Change	11.1%	

2020 Key Accomplishments • Developed and implemented a Caretaker Lease Permit for municipal park spaces. This now allows a community group to adopt a park to use and maintain for the benefit for the community.

2021 Initiatives

#1 Develop an Off-Leash Dog Park for the Hamlet of Lundbreck.

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Transfer from Reserves	7,500	-	
Total Revenues	7,500	-	
Contracted Services	15,700	14,700	
Interdepartmental	11,000	11,000	
Contributions to Town Rec	355,800	355,800	Change Unknown - ICF - Based on previous year.
Contributions to CNP Rec	-	50,000	
Transfer to Op. Reserve	133,430	133,430	Held in reserve for future capital contributions to the Town
Subtotal Expenses	515,930	564,930	
Net Operations	(508,430)	(564,930)	

Cemeteries

2020 Net Budget	(55,140)	The Municipal District of Pincher Creek agreed to an annual contribution to the Town as part of ICF.
2019 Net Budget	(55,140)	
% Change	0.0%	Cemeteries throughout the MD are maintained by local residents at no cost to the MD.

Summary Budget

	Budget 2020	Budget 2021	Variance Highlights
Transfer from Reserves	-	-	
Total Revenues	-	-	
Contributions to Town	55,140	55,140	Part of ICF. Will know actual number by Feb 2021
Subtotal Expenses	55,140	55,140	
Net Operations	(55,140)	(55,140)	

Long Term Debt

2019 Debt Limit

The Municipal Government Act requires municipalities to keep long term debt below thresholds determined by annual revenues. The debt (total debt) and debt servicing (annual payments of principal and interest) limits as at December 31, 2019 are:

Debt Limit (1.5 times revenue)	21,037,673
Actual Debt	4,178,212
Debt Servicing Limit (0.25 times revenue)	3,506,279
Actual Debt Servicing	482,992

Debt as of December 31, 2020	Principal Owning	Interest Rate	Annual Principal Payment	Annual Interest	Repayment Date
Lundbreck Water Reservoir	654,902	2.9420%	44,910	20,261	Dec 2032
Lundbreck Regional Water System	371,557	2.9420%	25,480	11,495	Dec 2032
Landfill Road (75% Landfill Association)	1,808,971	2.9420%	124,051	55,964	Dec 2032
Landfill Road (25% MD)	602,990	2.9420%	41,350	18,655	Dec 2032
Cowley Waterworks Purchase	378,000	2.9420%	126,000	14,828	Dec 2023
Total Debt	3,816,421		361,791	121,201	

Debt as of December 31, 2021	Principal Owning	Interest Rate	Annual Principal Payment	Annual Interest Payment	Repayment Date
Lundbreck Water Reservoir	608,661	2.9420%	46,241	18,929	Dec 2032
Lundbreck Regional Water System	345,322	2.9420%	26,234	10,739	Dec 2032
Landfill Road (75% Landfill Association)	1,681,243	2.9420%	124,051	55,964	Dec 2032
Landfill Road (25% MD)	560,414	2.9420%	41,350	18,655	Dec 2032
Cowley Waterworks Purchase	252,000	2.9420%	126,000	11,121	Dec 2023
Total Debt	3,447,641		363,876	115,407	

STAFF COUNT

2019 2020 2021

Public Works

Superintendent	1	1	1
Road Foreman	1	1	1
Operations Coordinator	0	0	1
Buyer	1	1	1
Admin	1	1	1
Full Time Union - Operator 4	15	14	13
Full Time Union - Operator 2	0	0	2
HDM - Union	2	2	2
Seasonal Summer	0	1	0
Seasonal Operator 1	1	1	1
Seasonal Operator 3	8	2	4
Temp Union	0	0	1
RAP Student	1	1	0
Total PW	31	25	28

AES

Environmental Specialist	2	2	1
Summer Student (Temp weed inspector)	6	2	7
Seasonal (Operator PAC)	1	2	1
Total AES	9	6	9

Admin

CAO	1	1	1
Director of Ops	1	1	1
Director of Fin.	1	1	1
Director of Dev and Community Services	0.5	0.5	0.25
Safety	1	1	1
EA	1	1	1
IT Specialist	1	1	1
HR/Payroll	1	1	1
Customer Service Clerk	2	1	1
Financial Service Clerk	1.5	1.5	1.5
Summer Student	1	1	1
Total Admin	12	11	10.75

Planning

Director of Dev and Community Services	0.5	0.5	0.75
Planning Clerk	0.5	0.5	0.5
Total Planning	1	1	1.25

Staff Total 53 43 49

Council 5 5 5

Grand Total 58 48 54

Restricted Surplus Accounts (Reserves)

	2021 Beginning	Transfer In	Transfer Out	2021 Ending
Airport	329,770			329,770
Bridge	2,498,840	400,000	99,000	2,799,840
Buildings	200,000			200,000
Dams (Water Storage)*	-			-
Equipment	2,724,120	850,000	385,000	3,189,120
Gravel Reclamation	1,361,630	250,000	185,000	1,426,630
Next Year Completion	155,443		33,330	122,113
PCECSC Equipment	50,000	50,000		100,000
Regional Airport Development	-	75,000		75,000
Road Infrastructure	2,412,840	350,000	675,000	2,087,840
Recycle Equipment	89,390			89,390
Senior Housing	200,000			200,000
Tax Rate Stabilization	1,205,290	169,230		1,374,520
Town of Pincher Creek	195,470	133,430	100,000	228,900
Emergency management	42,090	7,910		50,000
Water and Waste Water Infrastructure	971,990	58,140	180,000	850,130
Total Restricted Surplus	12,436,873	2,343,710	1,657,330	13,123,253
Public Trust	106,200		25,000	81,200
Unrestricted Surplus	2,511,060			2,511,060