



2022

**Municipal District of
Pincher Creek No. 9
Budget**



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Dear MD Ratepayers;

As the term of office of the current MD Council draws to a close this letter is intended to provide some background related to the recently approved 2022 Municipal Budget. Council chose to approve this budget prior to the Municipal Election in part to facilitate a smoother transition for the incoming Council who will assume a significant number of other responsibilities soon after the October 18, Election. This budget attempts to anticipate a number of potential challenges, such as reducing federal and provincial grants, anticipated changes to assessment models, a new police-funding model and the reality of very significant amounts of unpaid taxes.

The 2022 Budget seeks to fund the services that you have come to expect and to do so in a fiscally responsible manner. Some of the highlights and challenges of the 2022 budget include:

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

In 2020 the MD committed to a \$1M contribution to the PCCELC over a 5 year period, \$600k has been paid to date, with \$100k committed to be paid for each of the next four years.

Contributions to Pincher Creek Emergency Service and Policing

In 2022, the Municipal Tax Levy will include the costs of Policing and for Pincher Creek Emergency Services (PCESC). The 2022 amount for Policing is expected to be \$215,920, up from \$162,050 in 2021, the first year.

Mediation talks dealing with how PCESC is funded were delayed at the request of the Town until after the election. It is hoped that the process will resume with the new Councils at the earliest opportunity.

Beaver Mines Project Update

Considerable effort has been made by staff, council and residents to ensure the Beaver Mines Projects continues to move forward. We received Final Approval for the project on June 2, 2021 and, have secured an extension on our grants into 2023.

Cash Flow Concerns

The economic climate continues to put pressure on MD finances. Currently the MD is faced with some \$3M in outstanding taxes. In addition, from 2022 onwards, many grants previously applied for and received by the MD, will decrease significantly or no longer be available. In an effort to offset these fiscal challenges, the MD has further directed increased funds to the Tax Rate Stabilization Reserve to help offset these shortfalls over time.

Administration

MD Administration continues to pursue the restructuring of corporate accounts in order to ensure more accurate cost tracking and enhanced financial reporting.

MD Council

Operating Budget Summary by Department

	2020	2021	2022	Variance	2021 vs 2022 Variance Highlights
Revenue					
Requisitions	3,709,110	4,029,110	3,175,215	(853,895)	Unfavorable as PCESC is not considered a "requisition" under the MGA or Housing Act.
Council	10,000	10,000	10,000	-	
General	352,130	351,030	495,030	144,000	Favorable penalty revenue as a direct result of high outstanding taxes.
Administrative Services	39,860	25,760	25,735	(25)	
Planning & Development	65,550	134,710	64,800	(69,910)	Unfavorable as the MDP is complete.
Law Enforcement	10,150	10,250	10,250	-	
Fire	40,000	40,000	95,000	55,000	
REMO	70,880	68,650	-	(68,650)	PCREMO now included as a contribution to a local agency under Fire.
Public Works	714,560	674,880	269,630	(405,250)	Unfavorable because no transfers from reserves are required to fund operating expenses and the water services labour allocation is no longer required.
Agriculture & Environmental Services	231,860	309,900	309,900	-	
Lundbreck	-	-	-	-	
Airport	44,950	94,950	44,950	(50,000)	Unfavorable as contributions from neighboring municipalities for the Regional Airport Committee is not required.
Waste Management	84,940	73,070	240,000	166,930	Coding adjustment - municipal contributions for recycling should be coded against the expense.
Water Services	102,600	202,500	226,900	24,400	
Wastewater Services	38,000	39,400	12,000	(27,400)	
Community Services	251,490	311,730	207,000	(104,730)	Coding adjustment - municipal contributions for Joint Funding should be coded against the expense.
Parks & Recreation	7,500	-	-	-	
Cemeteries	-	-	-	-	
Total Revenues	5,773,580	6,375,940	5,186,410	(1,189,530)	
Expense					
Requisitions	3,676,070	4,029,110	3,165,215	(863,895)	Favorable as PCESC is not considered a "requisition" under the MGA or Housing Act.
Council	248,510	276,550	266,010	(10,540)	
Administrative Services	2,265,545	2,413,490	2,246,675	(166,815)	Favorable mainly due the removal of air photos in 2022 and a smaller contribution to the tax rate stabilization reserve.
Planning & Development	357,020	390,160	410,200	20,040	Unfavorable due to additional head count, offset slightly by completion of IDP and MDP.
Law Enforcement	311,540	168,050	221,920	53,870	Unfavorable due to an increase in costs paid to the Province for policing.
Fire	101,750	101,965	815,090	713,125	Unfavorable due to contributions to PCREMO and PCESC included here.
REMO	134,200	142,510	-	(142,510)	
Public Works	5,187,635	6,223,795	5,725,640	(498,155)	Favorable mainly due to the accounting change for gravel.
Agriculture & Environmental Services	533,790	587,920	583,300	(4,620)	
Lundbreck	103,530	112,600	-	(112,600)	Coding adjustment - Lundbreck is a location code, not a segment. Therefore it is now combined with PW.
Airport	83,240	161,850	73,710	(88,140)	Favorable as no reserve transfer to the Regional Airport Committee is needed in 2022.
Waste Management	423,550	405,750	627,700	221,950	
Water Services	459,290	526,930	590,650	63,720	Unfavorable due to an increase in costs as a result of new water infrastructure.
Wastewater Services	8,600	16,600	19,000	2,400	
Community Services	558,320	645,670	574,285	(71,385)	Coding adjustment - municipal contributions for Joint Funding should be coded against the expense.
Parks & Recreation	515,930	539,930	543,430	3,500	
Cemeteries	55,140	55,140	55,140	-	
Total Expenses	15,023,660	16,798,020	15,917,965	(880,055)	
Deficiency of Revenue Over Expenses	21,252,420	10,422,080	10,731,555	309,475	
Tax Levy for Capital	1,573,140	1,683,140	1,666,540	(16,600)	
Debt Principal	458,060	368,790	375,970	7,180	
Water Hookups			450,000	450,000	
Municipal Tax Levy	23,283,620	12,474,010	13,224,065	750,055	

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

Operating Budget Summary by Type

	2020	2021	2022	Variance	2021 vs 2022 Variance Highlights
Revenue					
Property Taxes Excluding Municipal	3,709,110	4,029,110	3,175,215	(853,895)	Unfavorable as PCESC is not considered a "requisition" under the MGA or Housing Act.
Grants	355,360	317,480	295,900	(21,580)	Coding adjustment - municipal contributions for recycling should be coded against the expense, and less revenue from dust control and gravel sales.
Sales and User Charges	438,670	692,850	590,300	(102,550)	
Permits & Fines	10,150	10,250	10,250	-	
Leases & Rentals	54,170	54,190	54,435	245	
Intermunicipal Charges	256,000	256,000	66,000	(190,000)	Unfavorable due to the labour allocation change.
Transfer from Local Gov't or Local Boards/Agencies	332,640	344,660	117,280	(227,380)	Coding adjustment for Joint Funding and PCREMO, as well as no airport reserve contribution from neighbouring municipalities.
Tax Penalties & Costs	95,130	94,030	238,030	144,000	Favorable penalty revenue as a direct result of high outstanding taxes.
Investment Income	257,000	257,000	257,000	-	
Miscellaneous Revenue	7,850	2,040	2,000	(40)	
Transfers From Reserves	257,500	318,330	155,000	(163,330)	Transfers from reserves to fund daycare and PCREMO.
Total Revenues	5,773,580	6,375,940	4,961,410	(1,414,530)	
Expense					
Salaries & Benefits	4,186,110	4,559,645	4,851,030	291,385	Unfavorable mainly due to change in head count in both the Planning and Water Departments.
General Purchases	2,761,150	3,334,425	3,038,250	(296,175)	Favorable due to gravel reclamation change and less dust control and cold mix product.
Contracted Services	2,224,830	2,218,060	2,100,600	(117,460)	
Contributions to Local Gov't or Local Boards/Agencies	1,005,010	1,092,575	1,684,315	591,740	Unfavorable as contributions to PCESC and PCREMO are included here.
Training	58,005	108,000	95,000	(13,000)	
Safety	56,250	50,850	48,640	(2,210)	
Information Technology	229,020	279,220	202,870	(76,350)	Favorable as Air Photo's were not required in 2022.
Legal Fees	51,000	51,000	38,000	(13,000)	
Interdepartmental Charges	256,000	251,000	61,000	(190,000)	Favorable due to labour allocation change.
Bank Charges and Interest	197,730	120,510	109,650	(10,860)	
Tax Rebates, Bad Debts, & Penalties	18,000	18,000	18,000	-	
Transfer to Operating Reserves	304,485	685,625	280,395	(405,230)	Decrease in transfers to operating reserves.
Requisitions	3,676,070	4,029,110	3,165,215	(863,895)	
Total Expenses	15,023,660	16,798,020	15,692,965	(1,105,055)	
Deficiency of Revenue Over Expenses	9,250,080	10,422,080	10,731,555	309,475	
Tax Levy for Capital	1,573,140	1,683,140	1,666,540	(16,600)	
Debt Principal	458,060	368,790	375,970	7,180	
Water Hookups	-	-	450,000	450,000	
Municipal Tax Levy	11,281,280	12,474,010	13,224,065	300,055	

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

3,350,000

3 Year Operating Budget Summary by Department

Required per MGA (283.1)	2022	2023	2024	2025
Requisitions	3,175,215	3,165,220	3,165,220	3,165,220
Council	10,000	10,000	10,000	10,000
General	495,030	340,030	340,030	340,030
Administrative Services	25,735	25,735	25,735	25,735
Planning & Development	64,800	64,800	64,800	64,800
Law Enforcement	10,250	20,250	20,250	20,250
Fire	95,000	-	-	-
Public Works	269,630	240,850	236,950	232,940
Agriculture & Environmental Services	309,900	309,900	309,900	309,900
Airport	44,950	44,950	44,950	44,950
Waste Management	240,000	15,000	15,000	15,000
Water Services	226,900	251,900	261,900	261,900
Wastewater Services	12,000	15,000	18,000	18,000
Community Services	207,000	207,000	207,000	207,000
Parks & Recreation	-	10,000	10,000	10,000
Cemeteries	-	-	-	-
Total Revenues	5,186,410	4,720,635	4,729,735	4,725,725
Requisitions	3,165,215	3,165,215	3,165,215	3,165,215
Council	266,010	269,425	272,905	292,960
Administrative Services	2,246,675	2,540,624	2,723,441	2,824,567
Planning & Development	410,200	386,340	394,560	403,865
Law Enforcement	221,920	330,100	330,100	330,100
Fire	815,090	882,010	882,300	882,300
Public Works	5,725,640	5,829,540	5,846,565	5,917,895
Agriculture & Environmental Services	583,300	585,700	592,165	596,155
Airport	73,710	78,510	83,510	94,510
Waste Management	627,700	410,755	418,960	427,335
Water Services	590,650	602,465	614,495	626,775
Wastewater Services	19,000	19,380	19,760	20,150
Community Services	574,285	577,840	581,415	582,665
Parks & Recreation	543,430	550,546	557,804	565,208
Cemeteries	55,140	55,140	55,140	55,140
Total Expenses	15,917,965	16,283,590	16,538,335	16,784,840
Deficiency of Revenue Over Expenses	10,731,555	11,562,955	11,808,600	12,059,115
Tax Levy for Capital	1,666,540	1,668,875	1,671,250	1,673,675
Debt Principal	375,970	385,180	394,620	404,300
Water Hookups	450,000			
Municipal Tax Levy	13,224,065	13,617,010	13,874,470	14,137,090

Property Tax

Municipal	2021 Actuals	Bylaw	Variance	Tax Revenue 2022 (1% increase)	Additional Revenue from 2021 Actuals
Residential	2,656,705	2,661,366	(4,661)	2,687,980	31,275
Farmland	408,777	408,762	15	412,860	4,083
Non-Residential (NR)	9,337,370	9,357,721	(20,351)	9,430,740	93,370
NR - Small Commercial	86,177	88,695	(2,518)	89,580	3,403
Minimum Tax	5,079	5,100	(21)	5,100	-
	12,494,109	12,521,644	(27,535)	12,626,260	132,130

Municipal	Tax Levy	Assessment	Tax Rate
Residential	2,687,980	565,862,810	4.7502
Farmland	412,860	58,806,200	7.0207
Non-Residential	9,430,740	968,016,670	9.7423
NR - Small Commercial	89,580	9,686,230	9.2482
Minimum Tax	5,100		
Total	12,626,260	1,602,371,910	

Alberta School Foundation Fund

Residential and Farmland	1,592,785	608,773,070	2.6164
Non-Residential	1,179,487	316,774,290	3.7234

Pincher Creek Foundation

	320,364	1,602,371,910	0.1999
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Pincher Creek Emergency Services Commission

	597,800	1,602,371,910	0.3731
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Designated Industrial Property

	72,571	858,470,020	0.0845
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Grand Total **16,389,267**

The MD. is required to raise the revenue needed to pay requisitions to the Alberta School Foundation Fund, Pincher Creek Foundation and Designated Industrial Property. It has been past practice for the MD to recognise PCESC as a requisition. However it is not included as part of under the MGA section 359 or the Housing Act section 7, as an eligible requisition. Therefore, it should be recognised as part of the Municipal tax levy. This has been corrected in the 2022 fiscal year.

Revised Rates Not Including PCESC

Municipal	2021 Tax Rate	2022 Tax Rate	Rate Increase
Residential	4.7032	4.7502	0.99%
Farmland	6.9510	7.0207	0.99%
Non-Residential	9.6669	9.7423	0.77%
NR - Small Commercial	9.1568	9.2482	0.99%

Revised Rates Including PCESC

Municipal	Tax Levy	Assessment	Tax Rate
Residential	2,899,090	565,862,810	5.1233
Farmland	434,800	58,806,200	7.3938
Non-Residential	9,791,880	968,016,670	10.1154
NR - Small Commercial	93,195	9,686,230	9.6214
Minimum Tax	5,100		
Total	13,224,065	1,602,371,910	

Rate Comparison

2021 Tax Rate	2022 Tax Rate (Without PCESC)	2022 Tax Rate (With PCESC)	Rate Increase
4.7032	4.7502	5.1233	7.28%
6.9510	7.0207	7.3938	5.05%
9.6669	9.7423	10.1154	3.69%
9.1568	9.2482	9.6214	3.88%

General

2022 Net Budget	\$	13,729,095	<p>The 'General' section of the budget addresses the following items:</p> <ul style="list-style-type: none"> • Municipal Tax Revenue • The Alberta School Foundation Fund, Designated Industrial Property and Senior Housing which are collected from special tax levies on behalf of those agencies. • Tax arrears, penalty, other revenues, and property assessment adjustments • Investment income and interest expenses • Unconditional grants that are not identified to a specific department.
2021 Net Budget	\$	12,738,340	
% Change		7.8%	

Summary Budget

	Budget 2021	Budget 2022	Variance Highlights
Municipal Property Taxes	12,390,440	13,227,195	1% increase + contribution to PCESC
Tax Penalties and Costs	70,900	234,900	↑ Outstanding taxes
Investment Income	257,000	257,000	
Taxation Collected for Requisition	4,049,110	3,175,215	↓ PCESC is no longer considered a municipal requisition
Total Revenues	\$ 16,767,450	\$ 16,894,310	
Requisitions	4,029,110	3,165,215	↓ PCESC is no longer considered a requisition - different from above due to PERC
Net Revenue	\$ 12,738,340	\$ 13,729,095	

Council

2022 Net Budget	(256,010)	The Council budget area deals with all costs associated and incurred by Municipal Council including stipends, per diems and fees for meetings and conferences.
2021 Net Budget	(266,550)	
% Change	-4.0%	

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.

2021 Key Accomplishments

- Completion of the Castle Water Line to Castle Mountain Resort and Castle Parks.
- Construction of the Distribution and Collection system has commenced for the Beaver Mines Water and Waste Water Project.
- Completed the ICF with Crowsnest Pass – all seven ICF’s were completed within the provincially mandated timeframe.
- Sick time review has moved from a plan to implementation and is planned to be addressed within the 2022 and possibly 2023 budget years.
- MDP has had First Reading and is nearing completion as we head into our engagement sessions.
- Passed an Asset Management Policy to provide governance and support to the Asset Management Team/Plan.
- Worked towards the development of an Eco-Station to help mitigate the challenges on MD transfer stations and cardboard recycling.

Summary Budget

	Budget 2021	Budget 2022	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	13,500	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	17,000	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	7,000	7,000	\$500 X 10 (RMA Flights) + 2000 (FCM)
Information Technology	2,500	5,000	2 Computer Replacement
Election Costs	17,500	3,500	↓ 2021 Election Year
Memberships and Subscriptions	19,500	19,960	Mainly RMA and AB South West
General Purchases	2,500	3,000	\$500 X 5 Divisions (Coffee with Council)
Total Expenses	276,550	266,010	
Net Operations	(266,550)	(256,010)	

Administration

2022 Net Budget	(2,220,940)	Administration Services provided are: <ul style="list-style-type: none"> • Finance • Reception • Information Technology • Health and Safety • Human Resources
2021 Net Budget	(2,387,730)	
% Change	-7.0%	

2021 Key Accomplishments • Employees continued to successfully adapt to the changing environment that resulted from the COVID-19 pandemic. Administration worked with Council to overhaul various policies including Reserves, Employee Leaves and Asset Management.

2022 Initiatives

- #1 Asset Management remains an ongoing priority. In 2021 the MD participated in the cohort program and developed an internal working group. The focus for 2022 is to develop accurate asset registers and to work with Council to define levels of service.
- #2 The Software upgrade processes remains ongoing. In 2021/22 the MD is working towards eSend for utility bills. In 2023 the focus will be on implementation of the COA remap.
- #3 Perform a external health and safety risk assessment to determine where we are and what we should focus on to improve the health, safety, and wellness of our employees.

Summary Budget

	Budget 2020	Budget 2021	Budget 2022	2021 vs 2022 Variance Highlights
Sales of Good & Services	10,100	10,980	10,750	
Leases, Rentals and Other	14,760	14,780	14,985	
Government Grants	10,000	-	-	
Transfer from Reserves	5,000	-	-	
Total Revenues	\$ 39,860	\$ 25,760	\$ 25,735	
Personnel Costs	1,267,990	1,291,070	1,348,730	
General Purchases	230,630	223,180	228,240	
Insurance	137,960	144,855	152,090	General ↑ on all policies
Training	13,690	25,250	25,250	
Safety	13,880	12,430	17,430	
Information Technology	117,900	176,520	101,170	↓ Air photos not required in 2022
Legal Fees	41,000	41,000	28,000	
Contracted Services	292,440	301,900	270,800	
Bank Charges	11,000	10,000	10,000	
Tax Rebates, Bad Debts	18,000	18,000	18,000	
Subtotal Expenses	\$ 2,144,490	\$ 2,244,205	\$ 2,199,710	
Transfer to Reserves	121,055	169,285	46,965	Transfer to Tax Rate Stabilization
Total Expenses	\$ 2,265,545	\$ 2,413,490	\$ 2,246,675	
Net Operations	(2,225,685)	(2,387,730)	(2,220,940)	

Planning

2022 Net Budget	(345,400)	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
2021 Net Budget	(255,450)	
% Change	35.2%	

2021 Key Accomplishments Completed and adopted the Municipal Development Plan (MDP) and MD and Cowley Intermunicipal Development Plan (IDP)

2022 Initiatives

- #1 Explore a community values study.
- #2 Explore a hamlet growth strategy to facilitate an orderly expansion of hamlets.

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 2021	Budget 2022	Variance Highlights
Sales of Good & Services	8,500	8,500	
Fees and Other	6,300	6,300	
Safety Codes	50,000	50,000	
Government Grants	36,580	-	↓ MDP complete
Transfer from Reserves	33,330	-	- Carryforward to cover MDP expenses
Total Revenues	134,710	64,800	
Personnel Costs	149,050	207,000	↑ Additional head count
General Purchases	12,450	12,450	
Safety	-	-	
Training	3,250	3,250	
Legal Fees	10,000	10,000	
Contracted Services	195,410	157,500	↓ due to the completion of both the IDP's and MDP's.
Right of Way Purchases	20,000	20,000	
Subtotal Expenses	390,160	410,200	
Net Operations	(255,450)	(345,400)	

Law Enforcement

2022 Net Budget	(211,670)	Bylaw enforcement operates on a complaint basis. The related bylaws are: <ul style="list-style-type: none"> • Land use • Community services • Unsightly premises • Noise • Animal Control
2021 Net Budget	(157,800)	
% Change	34.1%	

2021 Key Accomplishments • A sale of service agreement was signed with the Town of Pincher Creek in 2020 to use Town bylaw officers enforce animal control. In 2021 this was extended to include noise complaints.

2022 Initiatives

#1 Develop and implement a hamlet traffic bylaw

Summary Budget

	Budget 2021	Budget 2022	Variance Highlights
Licenses	250	250	
RCMP Fines	10,000	10,000	
Government Grants	-	-	
Total Revenues	10,250	10,250	
Police Costing	162,050	215,920	↑ Provincial download - Police Funding Model (20% Recovery)
Contracted Services	6,000	6,000	
Subtotal Expenses	168,050	221,920	
Net Operations	(157,800)	(211,670)	

Fire/PCREMO

2022 Net Budget	(820,090)	Items included in the Fire budget are: <ul style="list-style-type: none"> • Contribution to Pincher Creek Emergency Services Commission (PCESC) • Contribution to Pincher Creek Regional Emergency Management Organization (PCREMO) • Revenue/expense for M.D. residents requiring fire services • M.D. fire hall utility costs • Contribution to Pincher Creek Search & Rescue
2021 Net Budget	(111,965)	
% Change	632.5%	

It has been past practice for the MD to recognise PCESC as a requisition, however under the MGA it should be recognised as part of the Municipal Tax Levy. This has been corrected in the 2022 fiscal year. Contributions to PCESC will now be recorded here. The funding percentage changes annually. In 2021, the MD funded % of PCESC. In 2022 PCREMO will be administered through PCES. Therefore contributions to PCREMO will now be recorded here. The MD funds 49% of PCREMO.

Summary Budget

	Budget 2021	Budget 2022	Variance Highlights
Sale of Service	40,000	40,000	
Transfer from Reserves	-	55,000	↑ Transfer from Carry Forward 2021 PCREMO to fund 2022 PCREMO
Total Revenues	40,000	95,000	
General Purchases	1,000	1,000	
Contracted Services	40,000	40,000	
Contributions to PCESC		597,800	↑ Contribution to PCESC
Contributions to PCREMO		65,000	↑ Contribution to PCREMO
Contributions to Other Agencies	10,965	11,290	2% ↑ to PC Search and Rescue
Transfer to Op Reserves	50,000	100,000	Transfer to Reserve
Subtotal Expenses	101,965	815,090	
Net Operations	(111,965)	(820,090)	

Public Works

2022 Net Budget	(7,181,360)	The Public Works department provides oversight to all municipal infrastructure including 5 hamlets, 5 dams, approx. 1,205 km of roads, 160 bridges, the airport, regional water system, wastewater systems, all buildings and the equipment fleet.
2021 Net Budget	(7,319,215)	
% Change	-1.9%	

- 2021 Key Accomplishments**
- The 2021 gravel and dust control programs were complete on schedule and on budget.
 - The dust control program was completed in 40% less time than previous years due to the use of Calcium Chloride.
 - With the use of the new excavator PW was able to perform significant drainage improvements, cattle guard replacements, and culvert replacements all in-house.
 - Old airport road surface reconditioned and improved.
 - MRF LIDAR data collection project completed on all arterial and collector roads.
 - Investment in bistrainer enhanced safety training and provided access to training for all PW employees. Program was able to track completion and competency assessments.

2022 Initiatives

- #1 Continue to improve application methods and efficiency for dust control program.
- #2 Continue developing new processes and methodologies to improve the level of service provided by our road maintenance program.
- #3 Review and assess gravel pit inventory and reclamation on pits no longer in service.
- #4 Explore long term solution for hard surface arterial roads such as Gladstone and Maycoft.

Summary Budget

	Budget 2020	Budget 2021	Budget 2022	2021 vs 2022 Variance Highlights
Sales of Good & Services	17,600	42,600	42,600	Landfill Road Agreement expires 2022
Sale of Gravel & Asphalt	45,000	45,000	20,000	
Sale of Dust Control	50,000	50,000	43,750	
Government Grants	50,000	50,000	50,000	
Contribution from agencies	55,960	51,280	52,280	Debenture Revenue from the Landfill
Transfer from Reserves	245,000	185,000	-	↓ no transfer from reserves required to fund operations
Interdepartmental Changes	251,000	251,000	61,000	↓ Water labour will be coded directly to water in 2021. Lundbreck no longer required.
Total Revenues	714,560	674,880	269,630	
Personnel Costs	2,317,730	2,560,825	2,585,000	
General Purchases	1,067,150	986,650	1,043,750	↑ Fencing materials, culverts, repairs, and Lundbreck expenses moved here
Contracted Services	179,000	202,000	175,400	↓ Gap year for line painting
Safety	30,280	28,180	21,870	↓ PW employees are up to date in safety training, offset slightly by a Health and Safety Risk Assessment in 2022.
Training	21,625	33,250	33,250	
Information Technology	85,730	96,670	90,170	
Gravel Hauling	240,000	270,000	270,000	
Gravel Crushing	502,500	527,500	502,500	
Gravel Royalties	220,000	270,000	270,000	
Gravel Pit Reclamation	22,000	185,000	50,000	↓ Change to accounting for reclamation, 2022 amount is the change in estimate.
Bridge Repairs	28,000	50,000	25,000	↓ 2021 anticipated more small bridge deck repairs, this is not required in 2022
Engineering & Surveying	46,000	46,000	66,000	↑ 10 year bridge study
Dust Control & Cold Mix Product	353,000	648,000	528,000	↓ 2021 included overlay work on South Fork and 3A Cowley, this is not required in 2022
Long Term Debt Interest	74,620	69,720	64,700	
Subtotal Expenses	5,187,635	5,973,795	5,725,640	
Transfer to Reserves	1,500,000	1,850,000	1,550,000	↓ Change to accounting for reclamation, no transfer to reserve required.
Long Term Debt Principal	165,400	170,300	175,350	
Total Expenses	6,853,035	7,994,095	7,450,990	
Net Operations	(6,138,475)	(7,319,215)	(7,181,360)	

Agricultural and Environmental Services

2022 Net Budget	(273,400)	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.
2021 Net Budget	(278,020)	
% Change	-1.7%	

- 2021 Key Accomplishments**
- Worked directly with the province to establish protocols for weed control on provincial land.
 - MRF, environmental farm planning, Canadian Agricultural Partnership and other conservation projects initiated with support from CoolPro Solutions.
 - Spray Truck was operational in 2021.

2022 Initiatives

- #1 Offer more workshops, specifically on ranching, herd management, and grazing.
- #2 Fill gaps in provincial information distribution (due to provincial staff reductions).
- #3 Continue to expand contracts for Invasive control on provincial land.

Summary Budget

	Budget 2020	Budget 2021	Budget 2022	2021 vs 2022 Variance Highlights
Sales of Good & Services	73,600	151,000	141,000	↓ in contract with AB Parks, offset slightly by an increase in sale of premix.
Government Grants	183,360	123,900	138,900	↑ in provincial grant
Deadstock Program	30,000	35,000	30,000	
Misc. Revenue	-	-	-	
Transfer from Reserves	5,000	-	-	
Total Revenues	291,960	309,900	309,900	
Personnel Costs	329,070	299,300	292,500	
Training	8,000	9,250	9,750	
General Purchases	120,930	113,100	117,680	
Contracted Services	30,000	62,500	62,500	
Safety	6,850	10,240	9,340	
Information Technology	6,140	3,530	6,530	
Chemical	70,000	80,000	75,000	
Interdepartmental	10,000	10,000	10,000	
Subtotal Expenses	580,990	587,920	583,300	
Net Operations	(289,030)	(278,020)	(273,400)	

Hamlet of Lundbreck

2022 Net Budget	-	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
2021 Net Budget	(112,600)	
% Change	-100.0%	

- Lundbreck is a location code, not a segment. Therefore it has been combined with PW in 2022 onwards.

Summary Budget

	<u>Budget 2021</u>	<u>Budget 2022</u>	Variance Highlights
Total Revenues	-	-	
General Purchases	34,500	-	
Contracted Services	3,100	-	
Interdepartmental	75,000	-	
Subtotal Expenses	112,600	-	
Net Operations	(112,600)	-	

Airport

2022 Net Budget	(28,760)	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
2021 Net Budget	(66,900)	
% Change	-57.0%	

2021 Key Accomplishments • The Regional Airport Committee was re-established in 2020. The Airport Master Plan is scheduled to be presented to the Joint Committee in November 2021.

2022 Initiatives

#1 Pending the Joint Committee meeting scheduled for November 2021.

Summary Budget

	Budget 2021	Budget 2022	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	94,950	44,950	
General Purchases	28,150	26,010	
Contracted Services	18,500	7,500	
Interdepartmental	40,000	40,000	
Subtotal Expenses	86,850	73,710	
Transfer to Reserves	75,000	-	↓ no transfers into the regional airport reserve
Net Operations	(66,900)	(28,760)	

Waste Management

2022 Net Budget	(387,700)	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. The MD continues to explore recycling options through the development of an Eco Station.
2021 Net Budget	(332,680)	
% Change	16.5%	

2021 Key Accomplishments Policy change to landfill billing has proven to be fair for rate payers and resulted in noticeable savings.

2022 Initiatives

- #1 Continue to develop relationship with CNPC Landfill through the new Eco Station.
- #2 Review the location and billing structure for the non-residential bins within the MD.

Summary Budget

	Budget 2021	Budget 2022	
Waste Management Fees	9,820	15,000	↑ BM's included and new utility bylaw
Contribution from Agencies	63,250	-	↓ Coding Adjustment
Total Revenues	73,070	15,000	
Bin Rentals/Pickups	131,500	155,500	↑ Increasing number of bin pick-ups and rentals for bins through-out the MD
Tipping Fees	157,000	133,000	↓ Tipping fee reduction from enhanced policy controls.
Recycling Services	117,000	114,200	MD recycling fees only - Includes 100% operational costs of Eco Station
Contracted Services	250	-	
Subtotal Expenses	405,750	402,700	
Net Operations	(332,680)	(387,700)	

Water Services

2022 Net Budget	(1,130,910)	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.
2021 Net Budget	(606,060)	
% Change	86.6%	

2021 Key Accomplishments • Successfully implemented the Water Utility Bylaw in March 2021.

2022 Initiatives

- #1 Installation of service hookups in the Hamlet of Beaver Mines.
- #2 Proper separation of Water and Wastewater expenses for reporting purposes.
- #3 Utility Bill Efficiencies - eSend and automatic account withdrawal.

Summary Budget

	Budget 2021	Budget 2022	Variance Highlights
Sales of Good & Services	202,500	226,900	↑ due to new Water Utility Bylaw
Total Revenues	202,500	226,900	
Personnel Costs	-	247,000	↑ Labour coded directly to Water
Interdepartmental	115,000	-	↓ Labour allocation no longer required
Training	4,500	10,000	
General Purchases	161,640	174,200	General ↑ due to new pipeline.
Contracted Services	115,000	124,500	General ↑ due to new pipeline.
Long Term Debt Interest	40,790	34,950	
Miscellaneous*	90,000	-	↓ 2021 Dam Study required by Alberta Environment and Parks
Subtotal Expenses	526,930	590,650	
Transfer to Capital Reserves	83,140	116,540	General ↑ due to new Water Utility Bylaw
Transfer for Hook-Ups (LOANS)	-	450,000	↑ Residential Loans - BM Hookups
Long Term Debt Principal	198,490	200,620	
Additional Cash Required	281,630	767,160	
Net Operations	(606,060)	(1,130,910)	

Wastewater Services

2022 Net Budget	(7,000)	Wastewater services are provided to the Hamlet of Lundbreck by Water Operations personnel. These services include: <ul style="list-style-type: none"> Inspections Flushing General maintenance
2021 Net Budget	22,800	
% Change	-130.7%	

2021 Key Accomplishments • In 2021 the MD continued to move the Beaver Mines Waste Water Solution forward towards final regulatory approval from Alberta Environment and Parks.

- Installation of aerators at the Lundbreck Lagoon to improve wastewater management.

2022 Initiatives

- #1** The new wastewater system for the hamlet of Beaver Mines continues to be a top priority. The project timeline has been expanded to a in service date of 2023.

Summary Budget

	Budget 2021	Budget 2022	
User Fees	39,400	12,000	↓ Sewer rates (\$40.40 vs \$12.00)
Total Revenues	39,400	12,000	
General Purchases	16,600	19,000	
Subtotal Expenses	16,600	19,000	
Net Operations	22,800	(7,000)	

Community Services

2022 Net Budget	(367,285)	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 (PCCCELC) contribution
2021 Net Budget	(333,940)	
% Change	10.0%	

Summary Budget

	Budget 2021	Budget 2022	
Joint Funding (Town Portion)	104,730	-	↓ Coding adjustment - Town contribution should not be included here
Government Grants	107,000	107,000	FCSS Provincial
Reserve Transfer	100,000	100,000	
Total Revenues	311,730	207,000	
FCSS Grants	134,000	134,000	
PC Library and Chinook Arch	137,230	139,840	
PCCELC	100,000	100,000	
Town ICF (RCMP, CRC and Lebel)	38,910	60,000	
Humane Society	21,000	21,000	
Joint Funding	190,000	85,265	↓ 2022 is only reflective of MD Joint Funding
Other Contributions to Groups	24,530	34,180	↑ Additional funds for Grant Writer
	-	-	
Subtotal Expenses	645,670	574,285	
Net Operations	(333,940)	(367,285)	

Parks & Recreation

2022 Net Budget	(543,430)	Maintained by MD personnel:
2021 Net Budget	(539,930)	<ul style="list-style-type: none"> • Patton Park in the Hamlet of Lundbreck • Foothills (Fishburn) Park on RR 28-4 • Beaver Mines Park
% Change	0.6%	Contracted Maintenance:
		<ul style="list-style-type: none"> • Castle River Rodeo Grounds & Campground • Bobby Burns Fish Pond

2021 Key Accomplishments • Developed an Off-Leash Dog Park for the Hamlet of Lundbreck. Currently being surveyed and will be fenced before the winter season.

2022 Initiatives

#1 Connect the Patton Park sprinkler and drip system to the MD's water distribution line.

Summary Budget

	Budget 2021	Budget 2022	
Transfer from Reserves	-	-	
Total Revenues	-	-	
General Purchases	-	3,500	
Contracted Services	14,700	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	25,000	25,000	
Transfer to Op. Reserve	133,430	133,430	Held in reserve for future capital contributions to the community
Subtotal Expenses	539,930	543,430	
Net Operations	(539,930)	(543,430)	

Cemeteries

2022 Net Budget	(55,140)	The Municipal District of Pincher Creek agreed to an annual contribution to the Town as part of ICF.
2021 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 2021	Budget 2022	Variance Highlights
Transfer from Reserves	-	-	
Total Revenues	-	-	
Contributions to Town	55,140	55,140	
Subtotal Expenses	55,140	55,140	
Net Operations	(55,140)	(55,140)	

Long Term Debt

2020 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, 2020 are:

Debt Limit (1.5 times revenue)	20,414,073
Actual Debt	3,816,421
Debt Servicing Limit (0.25 times revenue)	3,402,346
Actual Debt Servicing	479,285

Debt as of December 31, 2021	Principal Owning	Interest Rate	Annual Principal Payment	Annual Interest	Repayment Date
Lundbreck Water Reservoir	608,661	2.9420%	47,612	17,559	Dec 2032
Lundbreck Regional Water System	345,332	2.9420%	27,013	9,962	Dec 2032
Landfill Road (75% Landfill Association)	1,681,244	2.9420%	131,513	48,502	Dec 2032
Landfill Road (25% MD)	560,415	2.9420%	43,838	16,167	Dec 2032
Cowley Waterworks Purchase	252,000	2.9420%	126,000	7,414	Dec 2023
Total Debt	3,447,651		375,976	99,604	

Debt as of December 31, 2022	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

2021 2021 2022
Budget Actual Budget

Public Works			
Superintendent	1	1	1
Road Foreman	1	1	1
Operations Coordinator	1	0	0
Field Lead		1	1
Buyer	1	1	1
Admin	1	1	1
Technical Assistant	0	1	1
Full Time Union - Operator 4	13	11	10
Full Time Union - Operator 2	2	2	3
HDM - Union	2	2	2
Seasonal Operator 1	1	1	1
Seasonal Operator 3	4	4	4
Temp Union	1	1	1
Total PW	28	27	27

AES			
Environmental Specialist	1	1	1
Summer Student (Temp weed inspector - Short)	7	5	4
Summer Student (Temp weed inspector - Long)	0	2	2
Seasonal (Operator PAC)	1	1	2
Total AES	9	9	9

Admin			
CAO	1	1	1
Director of Ops	1	0	0
Director of Finance	1	1	1
Director of Development and Community Services	0.25	0.25	0.25
Infrastructure and Utilities Specialist	0	0	1
Safety	1	1	1
Executive Assistant	1	1	1
IT Specialist	1	1	1
HR/Payroll	1	1	1
Financial Specialist	0	0	1
Customer Service Clerk	1	1	1
Financial Service Clerk	1.5	1.5	1
Summer Student	1	1	1
Total Admin	10.75	9.75	11.25

Planning			
Director of Development and Community Services	0.75	0.75	0.75
Assistant Development Officer	0	0	1
Planning Clerk	0.5	0.5	0
Total Planning	1.25	1.25	1.75

Water and Wastewater			
Water Plant Operator	0	1	2
Total Water and Wastewater	0	1	2

Staff Total 49 48 51

Council	5	5	5
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Grand Total 54 53 56

Restricted Surplus Accounts (Reserves) and Trusts

	2022 Beginning	Transfer In	Transfer Out	2022 Ending
Airport	329,770			329,770
Bridge	2,698,930	400,000		3,098,930
Buildings	200,000		30,000	170,000
Dams (Water Storage)	75,000			75,000
Equipment	3,344,580	800,000	295,000	3,849,580
Emergency management	61,000			61,000
Next Year Completion	151,910		55,000	96,910
PCESC Equipment	100,000	100,000		200,000
Regional Community Initiatives	228,900	133,430	100,000	262,330
Road Infrastructure	3,140,880	350,000	50,000	3,440,880
Recycle Equipment	89,390			89,390
Senior Housing	200,000			200,000
Tax Rate Stabilization*	1,227,320	1,246,965		2,474,285
Water and Waste Water Infrastructure	1,163,100	116,540	225,000	1,054,640
Total Restricted Surplus	13,010,780	3,146,935	755,000	15,402,715
Unrestricted Surplus*	3,797,030		1,200,000	2,597,030
Public Trust	108,470		40,000	68,470
Regional Airport Development Trust	75,000			75,000
Tax Recovery Sales Trust	14,400			14,400
Total Trusts	197,870	-	40,000	157,870

***Policy C-FIN-523 Reserves, section 24, states the balance in the tax rate stabilization reserve shall not exceed 10% of Municipal Tax Revenue, unless there is a substantial balance of taxes owed. The projected 2022 balance exceeds the 10% because of the high outstanding taxes (\$3M+) is a significant area of concern for the MD. The projected balance is a reassurance that the MD is financially capable to withstand the financial pressure presented. However, should this continue to grow, the MD may need to consider other alternatives.*

2022 Capital Budget Summary

Sources of Project Funding

Project #	Service Area	Description	2022					Total Revenue
			Total Cost	Grants	Debt	Reserves	Operations	
Infrastructure								
PW-BF-1	Bridges	Bridge File #75265 Heath Creek	380,000	380,000				380,000
PW-BF-2	Bridges	Bridge File #7743 Local Road over Gladestone Creek	275,000	275,000				275,000
PW-BF-3	Bridges	Bridge File #2488 Fischer Bridge	1,225,200	1,225,200				1,225,200
PW-BF-4	Bridges	Bridge File #74260 Tributary to Foothills Creek	30,000	30,000				30,000
PW-BF-5	Bridges	Bridge File 75377 Local Road over Screwdriver Creek	338,000	338,000				338,000
PW-R-2	Roads	Bitango Road RR1-2	40,000	40,000				40,000
PW-R-3	Roads	Station Street	40,000	40,000				40,000
PW-R-4	Roads	Gladstone	50,000			50,000		50,000
BMDC	Water/Wastewater	Beaver Mines Distribution and Collection	3,737,575	3,737,575				3,737,575
BMLF	Water/Wastewater	Beaver Mines Lift Station and Forcemain	2,378,730	2,378,730				2,378,730
BMWW	Water/Wastewater	Beaver Mines Waste Water Treatment Facility	555,850	555,850				555,850
Infrastructure Total			9,050,355	9,000,355	-	50,000	-	9,050,355
Equipment								
	Public Works	Skid Steer	125,000			125,000		125,000
	Public Works	Sheepfoot Compactor	20,000			20,000		20,000
	Public Works	Loader Forks	15,000			15,000		15,000
Equipment Total			160,000	-	-	160,000	-	160,000
Fleet								
	AES	Light Truck	50,000			50,000		50,000
	Admin	Yukon XL	65,000			65,000		65,000
Fleet Total			115,000	-	-	115,000	-	115,000
Community Services								
	Parks	Patton Park Sprinkler	40,000			40,000		40,000
	Waste Management	Eco-Station	225,000			225,000		225,000
Parks Total			265,000	-	-	265,000	-	265,000
Facilities								
	Public Works	Lundbreck Shop Floor	30,000			30,000		30,000
Facilities Total			30,000	-	-	30,000	-	30,000
Grand Total			9,620,355	9,000,355	-	620,000	-	9,620,355

Long Range Plan

Future Capital Projects			2023	2024	2025	2026
Infrastructure						
Bridges	Bridge File #74260	Tributary to Foothills Creek	580,000			
Bridges	Bridge File #13960	81A over a Tributary to the Oldman River	45,000	400,000		
Bridges	Bridge File #76203	Watercourse on Local Road near MayCroft		55,000	400,000	
Bridges	Bridge File #75481	Fullerton Culvert			50,000	300,000
Roads	Cabin Hill		1,007,500			
Roads	Bitango Road	RR1-2	260,000			
Roads	Station Street		410,000			
Roads	Christie Mines		45,000	975,000		
Roads	Grumpies/Knotch Road		200,000			
Roads	Gladstone Road		900,000			
Roads	Snake Trail					50,000
Water/Wastewater	Beaver Mines	Distribution and Collection	1,245,864			
Water/Wastewater	Beaver Mines	Lift Station and Forcemain	-			
Water/Wastewater	Beaver Mines	Waste Water Treatment Facility	2,223,406			
Infrastructure Total			6,916,770	1,430,000	450,000	350,000
Equipment						
Public Works	Grader		515,000	515,000	515,000	515,000
Public Works	Gravel Truck and Plow		375,000			
Public Works	Water truck			150,000		150,000
Public Works	Welder				15,000	
Public Works	Backhoe				130,000	
Public Works	Tractor & loader			130,000		
Public Works	Airport mower				9,300	
Public Works	Packer					40,200
Public Works	Riding lawn mower				5,600	
Public Works	Snow Blower - Airport			350,000		
Agriculture	Animal scale		15,000			
Agriculture	Quad			15,000		
Agriculture	Truck mounted intelligent sprayer				20,000	
Equipment Total			905,000	1,160,000	694,900	705,200
Fleet						
Public Works	Light truck		50,000	50,000	50,000	50,000
Public Works	1 Ton Truck		50,000			
Agriculture	Light truck			50,000		50,000
Fleet Total			100,000	100,000	50,000	100,000
Information Services						
Administration	Audio equipment	Council Chambers	20,000			
Information Services Total			20,000	-	-	-
Facilities						
Public Works	Public Works	Shop wash bay	370,000			
Facilities Total			370,000	-	-	-
Grand Total Expenditures			8,311,770	2,690,000	1,194,900	1,155,200
Sources of Project Funding						
Grants			6,916,770	1,430,000	450,000	350,000
Reserves			1,395,000	1,260,000	744,900	805,200
Operations			-	-	-	-
Total Sources of Project Funding			8,311,770	2,690,000	1,194,900	1,155,200

Capital Grants & Reserves Summary

Capital Grants Summary

Available Grant Funding*	2022	2023	2024	2025	2026
Beginning of year	14,710,446	7,720,365	1,588,671	943,746	1,278,821
Grant Funding Received	785,075	785,075	785,075	785,075	785,075
Expenditures	(7,775,155)	(6,916,770)	(1,430,000)	(450,000)	(350,000)
End of year	7,720,365	1,588,671	943,746	1,278,821	1,713,896

*Does not include STIP Funding BF2488

Capital Reserve Summary

	Equipment	Road Construction	Bridges	Buildings	Water and Waste Water Infrastructure
Annual Transfer to Reserve	800,000	350,000	400,000	-	100,000
Projected End of the Year Balance					
2021	3,148,000	2,507,000	2,610,000	200,000	808,000
2022	3,673,000	2,857,000	2,960,000	170,000	683,000
2023	3,448,000	3,207,000	3,360,000	- 200,000	783,000
2024	2,988,000	3,557,000	3,760,000	- 200,000	883,000
2025	3,043,100	3,907,000	4,160,000	- 200,000	983,000
2026	3,037,900	4,257,000	4,560,000	- 200,000	1,083,000

Detailed Capital Grant Summary

	Municipal Sustainability Initiative (MSI) Capital	Federal Gas Tax Fund (GTF)	Alberta Municipal Water/ Wastewater Partnership (AMWWP)	Small Community Funds (SCF)
Projected Balance Jan 1, 2022	6,198,000	841,310	3,230,209	4,440,927
Estimated 2022 Allocation	620,075	165,000	-	-
Funding Available	6,818,075	1,006,310	3,230,209	4,440,927
Beaver Mines Distribution and Collection	(1,245,735)	-	-	(2,491,840)
Beaver Mines Lift Station and Forcemain	(99,708)	-	(1,267,345)	(1,011,677)
Beaver Mines Waste Water Treatment Facility	(112,499)	-	(372,780)	(70,571)
Bridge File #75265 Heath Creek		(380,000)		
Bridge File #7743 Local Road over Gladstone Creek		(275,000)		
Bridge File #2488 Fischer Bridge	(306,300)			
Bridge File #74260 Tributary to Foothills Creek	(30,000)			
Bridge File #75377 Local Road over Screwdriver Creek	(338,000)			
Bitango Road RR1-2 Station Street	(40,000) (40,000)			
Projected Balance December 31, 2022	4,605,833	351,310	1,590,084	866,839
Estimated 2023 Allocation	620,075	165,000	-	-
Beaver Mines Distribution and Collection	(530,473)	-	-	(715,391)
Beaver Mines Waste Water Treatment Facility	(481,874)	-	(1,590,084)	(151,448)
Bridge File #74260 Tributary to Foothills Creek	(580,000)			
Bridge File #13960 81A over a Tributary to the Oldman River		(45,000)		
Cabin Hill	(1,007,500)			
Bitango Road RR1-2 Station Street	(260,000) (410,000)			
Christie Mines	(45,000)			
Grumpies/Knotch Road	(200,000)			
Projected Balance December 31, 2023	1,711,061	471,310	-	-

Project Name	Bridge File 75265 Local Road Over Heath Creek
Project Number	PW-BF-1
Priority	4 - Medium/High
Service Area	Public Works - Bridges
Division	Division 4
Project Description	Culvert replacement, NE SEC 11 TWP 10 RGE 1 W5M
Project Cost	Engineering (2021): \$20,000 Engineering/Construction (2022): \$380,000 Total Project Costs: \$400,000
Funding Sources	Federal Gas Tax Fund The MD will submit a application for grant funding under the Local Roads & Bridges Program under STIP (AB Transportation). For Budget purposes this project will flow through the guaranteed Federal Gas Tax Fund (GTF) funding.
Timeline	Complete in 2022
Rationale for Need	The bridge structure was constructed in 1960 and facilitates the passage of a local road over Heath Creek near Cowley, AB. The bridge culvert is currently in poor condition primarily due to cracked longitudinal seams with 55 mm of steel remaining in ring 4 and 68 mm of steel remaining in ring 3.
Impact on future operating costs	
Impact on other departments	
Treatment of asset replaced	
Implications of deferral	Delay in reconstruction of this bridge will result in further deterioration and road closure. There is no available detour available for residents as the road is a dead end. The Average Daily Traffic (AADT) is 32 vehicles.
Other options to Recommendation	A bridge liner and metal struts were reviewed but due to the condition of the culvert it isn't recommended.

Project Name	Bridge File #7743 Local Road over Gladstone Creek
Project Number	PW-BF-2
Priority	5 - High
Service Area	Public Works - Bridges
Division	Division 3
Project Description	Capital repairs, SW 23-05-02-W5
Project Cost	Engineering (2021): \$20,000 Construction (2022): <u>\$275,000</u> Total Project Costs: \$295,000
Funding Sources	Federal Gas Tax Fund
Timeline	Complete in 2022
Rationale for Need	The bridge structure was constructed in 1908 and facilitates the passage of a local road over Gladstone Creek near Pincher Creek, AB. The condition of the bridge is in poor condition due to repairs in strip decking, wheel guards, bridge rails, stringers, pilings and minor plank replacement.
Impact on future operating costs	
Impact on other departments	
Treatment of asset replaced	
Implications of deferral	Delay in reconstruction of this bridge will result in further deterioration and road closure. Detour is 79km.
Other options to Recommendation	

Project Name	Bridge File 2488 Fischer Bridge
Project Number	PW-BF-3
Priority	2 - Low/Medium
Service Area	Public Works - Bridges
Division	Division 5
Project Description	Single lane bridge replacement, NW 26-7-2-W5
Project Cost	Engineering (2021): \$15,000 Construction (2022): <u>\$1,225,200</u> Total Project Costs: \$1,240,200
Funding Sources	Strategic Transportation Infrastructure Program The MD will submit a application for grant funding under the Local Roads & Bridges Program under STIP (AB Transportation). This project is contingent on the success of this grant application which will cover 75% of the total capital costs. The remainder, will be funded through MSI. Should the grant application be unsuccessful, any engineering costs incurred to date will be funded through the Bridge Reserve (Res 20/432).
Timeline	Complete in 2022
Rationale for Need	The bridge is 92 years old and is currently closed by the MD. A bridge at this location is needed in the future should the twinning of Highway 3 occur.
Impact on future operating costs	
Impact on other departments	
Treatment of asset replaced	
Implications of deferral	Local residents and travelers will be required to detour 4.9km over Highway 3, 22 and local roads. The bridge will remain a fully closed bridge until Alberta Transportation requires it for Highway 3 Twinning.
Other options to Recommendation	1. Options explored in 2021 included concrete span and full refurbishment, that price was also in excess of \$1,000,000. 2. Remove bridge and construct capital upgrades on detour through RR2-1A (estimated at \$240,000).

Project Name	Bridge File 74260 Tributary to Foothills Creek
Project Number	PW-BF-4
Priority	3 - Medium
Service Area	Public Works - Bridges
Division	Division 2
Project Description	Culvert replacement, SW 13-05-29-W4M.
Project Cost	Engineering (2022): \$30,000 Construction (2023): <u>\$580,000</u> Total Project Costs: \$610,000
Funding Sources	Municipal Sustainability Initiative Grant - Capital In 2022 - The MD will submit a application for grant funding under the Local Roads & Bridges Program under STIP (AB Transportation). For Budget purposes this project will flow through the guaranteed MSI funding.
Timeline	2022 - Engineering 2023 - Complete
Rationale for Need	The bridge culvert was built in 1954. The original shape dimensions were a rise of 1920mm and a span 1742mm. Today, the actual dimensions are a rise of 1631mm and span 1955mm. The sag for the roof is at 15% and the deflection is at 12%. There are isolated perforations on the floor and the structure is poorly aligned to the drainage.
Impact on future operating costs	
Impact on other departments	
Treatment of asset replaced	Recycle steel
Implications of deferral	Delay in reconstruction of this bridge will result in further deterioration and an increase in financial resources for ongoing repair and maintenance costs. Detour is approximately 10km
Other options to Recommendation	

Project Name	Bridge File 75377 Local Road over Screwdriver Creek								
Project Number									
Priority	5 - High								
Service Area	Public Works - Bridges								
Division	Division 3								
Project Description	Culvert Replacement; NW 8-6-2-W5								
Project Cost	<table> <tr> <td>Engineering (2020):</td> <td>\$22,000</td> </tr> <tr> <td>Construction (2021):</td> <td>\$60,000</td> </tr> <tr> <td>Construction (2022):</td> <td><u>338,000</u></td> </tr> <tr> <td>Total Project Costs:</td> <td>\$420,000</td> </tr> </table>	Engineering (2020):	\$22,000	Construction (2021):	\$60,000	Construction (2022):	<u>338,000</u>	Total Project Costs:	\$420,000
Engineering (2020):	\$22,000								
Construction (2021):	\$60,000								
Construction (2022):	<u>338,000</u>								
Total Project Costs:	\$420,000								
Funding Sources	<p>Municipal Sustainability Initiative Grant - Capital</p> <ul style="list-style-type: none"> The M.D. submitted an application for grant funding under the Local Roads & Bridges Program under STIP (AB Transportation) in 2021. It was denied mainly because the BIM rating was above 40%. Therefore this project will be funded through MSI. 								
Timeline	<p>2020 - Engineering</p> <p>2021 - Delayed</p> <p>2022 - Compete</p>								
Rationale for Need	The bridge structure is currently in poor condition primarily due to large floor perforations due to corrosion. The BIM model suggested a 2016 replacement year.								
Impact on future operating costs									
Impact on other departments									
Treatment of asset replaced									
Implications of deferral	Delay in reconstruction of this bridge culvert could result in further deterioration and road closure as this bridge was constructed in 1962.								
Other options to Recommendation									

Project Name	Bitango Road RR1-2
Project Number	PW-R-2
Priority	5 - High
Service Area	Public Works - Roads
Division	Division 3
Project Description	Excavate and replace 64m of 24" culvert with a 36" culvert. Backfill road and repair slides and sink holes on side slope.
Project Cost	Engineering (2022): \$40,000 Construction (2023): <u>\$260,000</u> Total Project Costs: \$300,000
Funding Sources	Municipal Sustainability Initiative Grant - Capital
Timeline	2022 - Engineering 2023 - Complete
Rationale for Need	Culvert is undersized. It is separated at a few locations forcing the water to go upward, creating sliding and slope failures.
Impact on future operating costs	
Impact on other departments	
Implications of deferral	Potential road failure and concern to public safety which could result in a road closure and a detour of approximately 15 km.
Other options to Recommendation	

Project Name	Station Street
Project Number	PW-R-3
Priority	1 - Low
Service Area	Public Works - Roads
Division	Division 4
Project Description	Repair subgrade and install new asphalt on approximately 70m on intersection of 3rd avenue and Station street and approximately 375m on Station street going East. Install Culvert across 3rd avenue to drain water from North side of Station street.
Project Cost	Engineering (2022): \$40,000 Construction (2023): <u>\$410,000</u> Total Project Costs: \$450,000
Funding Sources	Municipal Sustainability Initiative Grant - Capital
Timeline	2022 - Engineering 2023 - Complete
Rationale for Need	Increase to the level of service to businesses within the Hamlet of Pincher Station by providing easier access for heavy trucking.
Impact on future operating costs	Reduced repair and maintenance costs.
Impact on other departments	
Implications of deferral	Increase in ongoing repair and maintenance costs. An increase in subgrade failure and drainage issues will continue to create strain on the road structure.
Other options to Recommendation	1. Pulverize existing road and return to gravel. 2. Wait until the MD can explore water and wastewater options at Pincher Station, to allow the MD to do both at one time.

Project Name	Gladstone
Project Number	PW-R-4
Priority	3 - Medium
Service Area	Public Works - Roads
Division	Division 3
Project Description	Gladstone valley road review - engineering and public engagement in 2022, with land purchases and construction to be determined.
Project Cost	Engineering (2022): \$50,000 Construction (2023?): <u>\$900,000</u> Total Project Costs: \$950,000
Funding Sources	Reserve - Road Construction The MD will explore additional funding sources upon further project review.
Timeline	Other: To be determined
Rationale for Need	The MD continues to receive a high number complaints as a result of the poor road conditions. The conditions present include: extensive wash boarding and big rock.
Impact on future operating costs	Reduced repair and maintenance costs.
Impact on other departments	
Implications of deferral	
Other options to Recommendation	

Project Name	Beaver Mines Distribution and Collection				
Project Number	BMDC				
Priority	5 - High				
Service Area	Water Services				
Project Description	Install a water distribution system and wastewater collection system at Beaver Mines followed by rehabilitation of the road surface (MPE).				
Project Cost	Engineering, Regulatory and Construction (2019-2021*): \$1,663,561 Construction (2022): \$3,737,575 Construction (2023): <u>\$1,245,864</u> Total Project Cost \$6,647,000 <i>*2021 is inclusive of a 5 month estimate</i>				
Funding Sources	Other: The MD has received funding under Small Community Funds (SCF). Effective June 30th 2020 (resolution 20/287) the MD will fund the Beaver Mines Distribution and Collection project, where eligible, by applying SCF (66.67%), followed by MSI (100%). Funding under SCF is shared equally between the Federal, Provincial and Municipal District of Pincher Creek.				
		2019-2021	2022	2023	Total
	SCF	1,031,824	2,491,840	715,391	4,239,055
	MSI	447,180	1,245,735	530,473	2,223,388
	Reserve	184,557	-	-	184,557
	Total	\$ 1,663,561	\$3,737,575	\$1,245,864	\$ 6,647,000
Timeline	Complete in 2023 As of July 8, 2021, the MD received final approval from Alberta Environment and Parks. The MD plans to complete this section the Beaver Mines Water and Wastewater project in 2023. For budget purposes, the MD has assumed 20% of the remaining capital expenditures will be incurred in the remainder of 2021, 60% in 2022, with the remaining 20% incurred in 2023.				
Rationale for Need	Beaver Mines presently relies on point of use wells/cisterns for potable water and septic systems for wastewater collection and treatment. There are health and safety issues due to bacteria found in the water samples as well as septic systems in a state of deterioration.				
Impact on future operating costs	Increased time for water treatment and wastewater collection personnel to monitor and maintain the system.				
Impact on other departments	Health and safety issues will continue and may increase. Project costs may also increase.				
Treatment of asset replaced	Land owners are responsible for the abandonment and reclamation of existing wells and septic systems.				
Implications of deferral					
Other options to Recommendation					

Project Name	Beaver Mines Lift Station and Forcemain																										
Project Number	BMLSF																										
Priority	5 - High																										
Service Area	Wastewater																										
Project Description	Lift station and forcemain up to the tie in location (MPE)																										
Project Cost	Engineering (2019-2021):	\$258,270																									
	Construction (2022):	<u>\$2,378,730</u>																									
	Total Project Cost	\$2,637,000																									
Funding Sources	<p>Other:</p> <p>The MD has received funding under Alberta Municipal Water, Wastewater Partnership (AMWWP) and Small Community Funds (SCF). Effective June 30th 2020 (resolution 20/287) the MD will fund the Beaver Mines Lift Station and Forcemain, where eligible, by applying SCF (66.67%), followed by AMWWP (75%) and MSI (100%).</p> <table border="1"> <thead> <tr> <th></th> <th>2019-2021</th> <th>2022</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>SCF</td> <td>171,411</td> <td>1,011,677</td> <td>1,183,088</td> </tr> <tr> <td>AMWWP</td> <td>86,567</td> <td>1,267,345</td> <td>1,353,912</td> </tr> <tr> <td>MSI</td> <td>292</td> <td>99,708</td> <td>100,000</td> </tr> <tr> <td>Reserves</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total</td> <td>\$ 258,270</td> <td>\$ 2,378,730</td> <td>\$ 2,637,000</td> </tr> </tbody> </table>				2019-2021	2022	Total	SCF	171,411	1,011,677	1,183,088	AMWWP	86,567	1,267,345	1,353,912	MSI	292	99,708	100,000	Reserves	-	-	-	Total	\$ 258,270	\$ 2,378,730	\$ 2,637,000
	2019-2021	2022	Total																								
SCF	171,411	1,011,677	1,183,088																								
AMWWP	86,567	1,267,345	1,353,912																								
MSI	292	99,708	100,000																								
Reserves	-	-	-																								
Total	\$ 258,270	\$ 2,378,730	\$ 2,637,000																								
Timeline	<p>Complete in 2022</p> <p>As of July 8, 2021, the MD received final approval from Alberta Environment and Parks. The MD plans to complete this section the Beaver Mines Water and Wastewater project in 2022.</p>																										
Rationale for Need	<p>Beaver Mines presently relies on point of use wells/cisterns for potable water and septic systems for wastewater collection and treatment. There are health and safety issues due to bacteria found in the water samples as well as septic systems in a state of deterioration.</p>																										
Impact on future operating costs	<p>Future operating costs are unknown at this time.</p>																										
Impact on other departments																											
Treatment of asset replaced																											
Implications of deferral																											
Other options to Recommendation																											

Project Name	Beaver Mines Waste Water Treatment Facility				
Project Number	BML				
Priority	5 - High				
Service Area	Wastewater				
Project Description	Banner Environmental Engineering Ltd. has been chosen to design and build infrastructure following the tie-in point, treatment, at grade system and access road (Banner).				
Project Cost	Engineering and Regulatory (2019-2021):		\$748,334		
	Engineering, Regulatory and Construction (2022):		\$555,850		
	Construction (2023):		<u>\$2,223,406</u>		
	Total Project Cost		\$3,527,590		
Funding Sources	Other: The MD has received funding under Alberta Municipal Water, Wastewater Partnership (AMWWP) and Small Community Funds (SCF). Effective June 30th 2020 (resolution 20/287) the MD will fund the Beaver Mines Waste Water Treatment System, where eligible, by applying SCF (66.67%), followed by AMWWP (75%) and MSI (100%).				
		2019-2021	2022	2023	Total
	SCF	355,838	70,571	151,448	577,857
	AMWWP	335,188	372,780	1,590,084	2,298,052
	MSI	27,173	112,499	481,874	621,546
	Reserves	30,135	-	-	30,135
	Total	\$ 748,334	\$ 555,850	\$2,223,406	\$ 3,527,590
Timeline	Complete in 2023 As of July 8, 2021, the MD received final approval from Alberta Environment and Parks. The MD plans to complete this section the Beaver Mines Water and Wastewater project in 2023. For budget purposes, the MD has assumed 20% of the remaining capital expenditures will be incurred in 2022, with the remaining 80% incurred in 2023.				
Rationale for Need	Beaver Mines presently relies on point of use wells/cisterns for potable water and septic systems for wastewater collection and treatment. There are health and safety issues due to bacteria found in the water samples as well as septic systems in a state of deterioration.				
Impact on future operating costs	Banner anticipates operating costs of \$20,000/year.				
Impact on other departments					
Treatment of asset replaced					
Implications of deferral					
Other options to Recommendation					

Project Name	Skid Steer
Project Number	
Priority	3 - Medium
Service Area	Public Works - Equipment
Project Description	299D3 XE Compact Track Loader (CAT)
Project Cost	\$125,000
Funding Sources	Reserve - Equipment Replacement
Timeline	Complete in 2022
Rationale for Need	The existing 2011 Bobcat skid steer is starting to require more repair and more maintenance. The warranty has expired. All existing skid steer attachments will fit to this new one.
Impact on future operating costs	Reduced repair and maintenance costs on a highly used piece of equipment.
Impact on other departments	
Implications of deferral	Continued downtime and higher repair and maintenance costs, which may ultimately impact the service level provided.
Other options to Recommendation	

Project Name	Sheepfoot Compactor
Project Number	
Priority	3 - Medium
Service Area	Public Works - Equipment
Project Description	Sheepfoot Double Roller Tow Behind Compactor
Project Cost	\$20,000
Funding Sources	Reserve - Equipment Replacement
Timeline	Complete in 2022
Rationale for Need	It will increase the compaction ability for road rehabilitation and construction projects.
Impact on future operating costs	It will increase efficiency on our heavy maintenance crew, as well as eliminate the need for rentals.
Impact on other departments	
Implications of deferral	Deferral increase schedule time on road projects. Increase in wear and tear on ride on Compactor and higher fuel consumption.
Other options to Recommendation	The MD will purchase this piece of equipment via auction or another 2nd hand source.

Project Name	Loader Forks
Project Number	
Priority	3 - Medium
Service Area	Public Works - Equipment
Project Description	Forks for the 938M Caterpillar Loader
Project Cost	\$15,000
Funding Sources	Reserve - Equipment Replacement
Timeline	Complete in 2022
Rationale for Need	The shop fork lift is under sized to unload deliveries of chemicals for AES and to load/unload culverts.
Impact on future operating costs	
Impact on other departments	Both PW and AES would benefit as the forks would be used to unload chemicals stored in the PW quonset.
Implications of deferral	Decreased efficiency in yard operations.
Other options to Recommendation	The use of forks on the loader will eliminate the need of a bigger fork lift for the yard.

Project Name	Light Truck
Project Number	
Priority	3 - Medium
Service Area	AES - Equipment
Project Description	A Heavy Duty, 3/4 ton, long box, super/double cab (depends on make).
Project Cost	\$50,000
Funding Sources	Reserve - Equipment Replacement
Timeline	Complete in 2022
Rationale for Need	The AES vehicle fleet is getting old with an increasing number of km's on each vehicle. Truck replacement is required on Unit #600 - 16 yrs. old with 200,000 km's.
Impact on future operating costs	Reduced maintenance costs on older vehicles.
Impact on other departments	
Implications of deferral	For AES, the most important considerations are road worthiness and stability under heavy load. Heavy loads, even after ten years, makes the vehicles more risky to drive. Reliability, downtime and increased maintenance costs play a factor as well.
Other options to Recommendation	Unit 600 will be sold in an auction with any proceeds going directly into the equipment reserve.

Project Name	Yukon XL
Project Number	
Priority	3 - Medium
Service Area	Admin
Project Description	2022 Yukon XL
Project Cost	\$65,000
Funding Sources	Reserve - Equipment Replacement
Timeline	Complete in 2022
Rationale for Need	The Administration building is assigned both Unit 504 and the Equinox. Unit 504 would be better utilized as part of the PW fleet to replace Unit 640 - 2008 with 230,000 km. The Equinox is currently under utilized due to it's limitations on MD roads.
Impact on future operating costs	
Impact on other departments	
Implications of deferral	The Administration building would continue to use Unit 504, with the Equinox remaining as part of the Administration fleet. PW would require a truck to replace Unit 640 in the coming years.
Other options to Recommendation	The Equinox will be sold in an auction with any proceeds going directly into the equipment reserve. Unit 504 will be reassigned into the PW fleet.

Project Name	Patton Park Sprinkler
Project Number	
Priority	3 - Medium
Service Area	Parks
Division	Division 5
Project Description	Connect the Patton Park sprinkler and drip system to the MD's water distribution line.
Project Cost	\$40,000
Funding Sources	Public Trust Reserve
Timeline	Complete in 2022
Rationale for Need	To provide sufficient water supply to operate the sprinkler and drip system in Patton Park
Impact on future operating costs	Reduce potential for trees, bushes and grass replacement in the park
Impact on other departments	Will reduce fertilizing need from AES.
Implications of deferral	The existing system connects to an old water well does not provide enough water to run the entire system. Trees, bushes and grass may die from the lack of water.
Other options to Recommendation	

Project Name	Eco-Station
Project Number	
Priority	5 - High
Service Area	Waste Management
Division	
Project Description	A central, fenced and supervised location to allow ratepayer to safely dispose of waste material. Due to the time constraints of 2021, the construction of the eco-station has been pushed to 2022.
Project Cost	2021: \$25,000 2022: <u>\$225,000</u> Total: \$250,000
Funding Sources	Reserve - Water and Wastewater Infrastructure
Timeline	Complete in 2022
Rationale for Need	A need to control the abuse at current transfer stations, has resulted in the MD exploring a Eco Station.
Impact on future operating costs	The operations will be run through CNPC Landfill. The operating costs are projected to be more favorable than our current waste management contracts.
Impact on other departments	
Implications of deferral	
Other options to Recommendation	

Project Name	Lundbreck Shop Floor
Project Number	
Priority	2 - Low/Medium
Service Area	Parks
Division	Division 5
Project Description	Install concrete floor and sumps into the Lundbreck shop.
Project Cost	\$30,000
Funding Sources	Reserve - M.D. Buildings
Timeline	Complete in 2022
Rationale for Need	Provide a sufficient area to store material and provide proper maintenance on equipment.
Impact on future operating costs	Reduced fuel and mobilization costs for equipment services.
Impact on other departments	
Implications of deferral	Continual time and fuel costs for travel from Lundbreck to MD shop with Grader or other equipment requiring services.
Other options to Recommendation	Leave gravel floor as is.