



2023 – 2025 Fiscal Plan

Municipal District of Acadia No. 34

5/9/23

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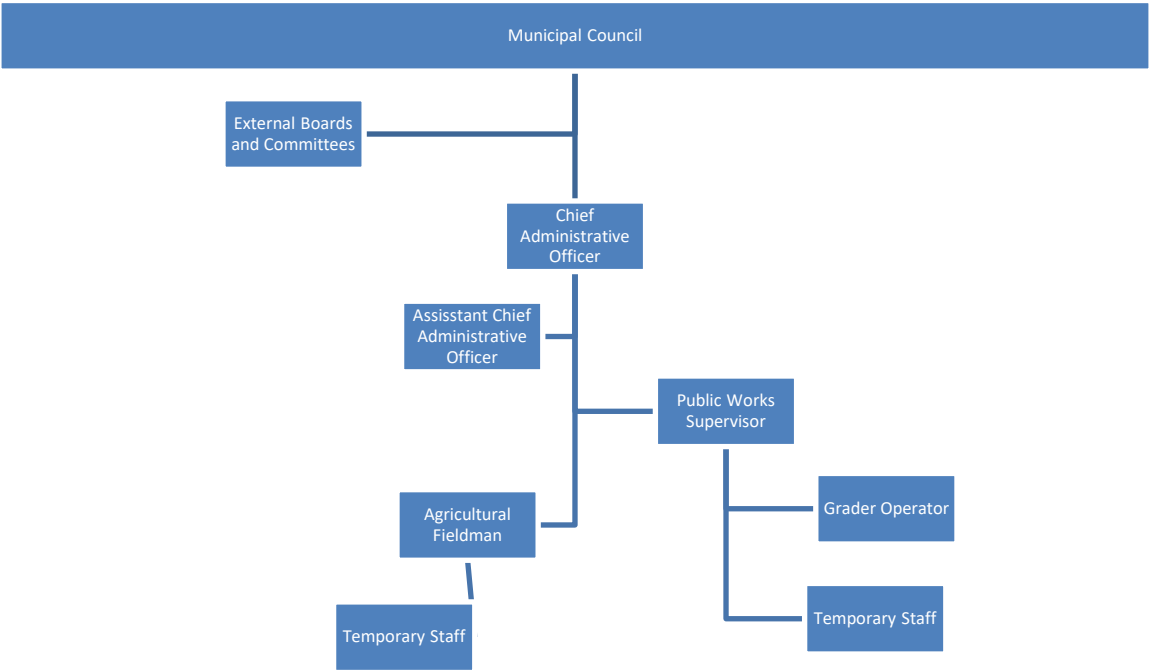
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About the Municipal District of Acadia No. 34

The M.D. of Acadia #34 has been serving the residents of our municipality for over 100 years. We are proud of our heritage and confident of our future. We believe that much of our success is because we have worked together and cooperated as neighbours and as public servants. We believe that to remain successful we need to continuously adapt, learn and improve as individuals and as a team. The priorities identified in the 2023 – 2025 fiscal plan are intended to reflect such beliefs.

Organizational Structure



Budget Process

Background Information

In Alberta, all municipal entities are empowered by and are required to follow the Municipal Government Act (MGA). One of the many requirements under the MGA is that a balanced budget is required to be approved for operating and capital expenses. This fiscal plan has been prepared as a three-year operating budget, and five-year capital budget. The operating plan incorporates the capital funds required to support the capital budget.

Fiscal Plan Highlights

In the 2023 – 2025 fiscal Plan, Council has focused on maintaining service levels, while also identifying projects that will support the sustainability and growth of the Municipal District.

In early 2023 the temporary closure of the Big Country Hospital exposed the fragility of medical services within the region. During that time, the MD of Acadia has been working with the Town of Oyen and the Special Areas Board to take appropriate actions to ensure that efforts are taken to reopen the hospital and ensure that ambulance and air ambulance services are available when needed. Specifically, the MD of Acadia is supporting the following initiatives:

- Housing for contract nurses
- Recruitment and retention efforts for medical personnel
- Upgrades at the Oyen Airport to ensure availability of fixed wing air ambulance service

As part of the Big Country Medical Dental Board, the MD of Acadia has committed funding to the development of a new clinic in Oyen. The commitment made is that the MD of Acadia will fund 10% of the total project costs to a maximum of \$300,000. The funds for this are proposed to come from established reserve funds.

The MD of Acadia continues to work with the Canada Infrastructure Bank, Alberta Agriculture and Irrigation and the Special Areas Board on the development of irrigation within the region. Steady progress is being made to develop the project and ensure the long term feasibility for potential irrigators in the region.

2023 – 2027 Capital Plan

Year	Project	Total Cost	Funded by Taxes	Funded by Reserves	Funded by Grants	Salvage Value
2023	Grader Replacement	\$535,000	\$0	\$45,000	\$350,000	\$140,000
2023	Mulcher - Grader	\$60,000	\$0	\$60,000	\$0	\$0
2024	Skid Steer Replacement	\$85,000	\$0	\$65,000	\$0	\$20,000
2024	Medical Dental Building	\$300,000	\$0	\$300,000	\$0	\$0
2025	PW Truck Replacement	\$55,000	\$0	\$47,500	\$0	\$7,500

In 2023 the grader will be replaced with a new unit that was ordered in 2022. Due to supply chain issues we are anticipating delivery of the new grader in June 2023. This is a standard replacement of the grader to maximize the sale value of the old unit and reduce potential for maintenance costs, in part through warranty.

The mulcher attachment for the grader will be used to assist in breaking up lumps of material left on the road during the grading process. This attachment is anticipated to allow for more efficient maintenance of roads.

The Medical Building is a project being proposed by the Big Country Medical Dental Board that would create a new medical office in the Town of Oyen.

Consolidated Operating and Capital Budget

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Revenues					
Taxes	947,051	927,995	931,804	970,805	1,081,768
Requisitions	256,244	254,309	259,010	260,985	269,104
Grants	339,224	544,720	605,101	385,249	335,249
Sales of Goods and Services	216,156	296,251	222,656	219,656	214,656
Local Improvement Tax	30,626	30,699	30,626	30,626	30,626
Municipal Lease	29,430	31,093	29,430	29,430	29,430
Operating Costs Recovered	-	-	-	-	-
Fines and Penalties	5,000	9,723	5,000	5,000	5,000
Return on Investments	60,000	86,099	100,000	100,000	100,000
Proceeds From Sale	-	-	140,000	25,000	6,500
Use of Deferred Grants	-	-	350,000	-	-
Transfers from Reserves	-	-	197,600	127,500	38,500
	1,883,731	2,180,890	2,871,227	2,154,251	2,110,833
Expenditures					
Salaries, Wages, Benefits	529,388	536,199	569,237	565,421	569,463
Materials and Supplies	561,178	525,962	643,587	633,754	644,734
Contracted Services	214,813	244,075	434,208	275,406	229,569
Discounts on Taxes	30,000	34,625	35,000	30,000	30,000
Borrowing Costs	23,345	23,345	23,345	23,345	23,345
Requisitions	408,410	411,314	448,993	438,703	461,101
Revenue Sharing	6,007	6,711	6,007	6,007	6,007
Transfers to Reserves/Deferred Revent	113,090	-	98,250	111,615	111,615
Capital Expenditures	-	254,118	612,600	80,000	45,000
	1,886,231	2,036,350	2,871,227	2,164,251	2,120,833
Surplus/(Deficit)	(2,500)	144,541	-	(10,000)	(10,000)
Operating Expenses	1,886,231		2,258,627	2,084,251	2,075,833

In the MD of Acadia fiscal plan the requisition expense includes funds collected through requisitions as defined in the MGA, along with other funds that are paid to organizations of which the MD of Acadia is a member, and has agreed to provide financial support.

General Revenue

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Revenues					
Taxes	947,051	927,995	931,804	970,805	1,081,768
Requisitions	256,244	254,309	259,010	260,985	269,104
Sales of Goods and Services	-	-	-	-	-
Local Improvement Tax	30,626	30,699	30,626	30,626	30,626
Municipal Lease	29,430	31,093	29,430	29,430	29,430
Fines and Penalties	5,000	9,723	5,000	5,000	5,000
Return on Investments	60,000	86,099	100,000	100,000	100,000
	<u>1,328,351</u>	<u>1,339,919</u>	<u>1,355,870</u>	<u>1,396,846</u>	<u>1,515,928</u>
	-	-	-	-	-
Expenditures					
Discounts on Taxes	30,000	34,625	35,000	30,000	30,000
Requisitions	276,673	277,111	288,986	293,690	301,809
Revenue Sharing - Grazing	6,007	6,711	6,007	6,007	6,007
	<u>312,680</u>	<u>318,447</u>	<u>329,993</u>	<u>329,697</u>	<u>337,816</u>
Surplus/(Deficit)	1,015,671	1,021,472	1,025,877	1,067,149	1,178,112

Under the Municipal Government Act, it is required that the mill rate for non-residential properties is less than five times higher than the residential tax rate. The proposed budget meets this requirement.

Included in the Municipal Lease are the grazing lease fees, and two-thirds of the surface lease revenue received by the MD. The remaining one-third of surface lease revenue is paid to the lease holder as per the Municipal Grazing Lease agreement with these expenses being captured under Revenue Sharing – Grazing.

For 2023 overall tax revenue is increasing by a very small margin due to the use of accumulated surplus from the 2022 fiscal year.

Looking forward, it is anticipated that starting in 2025 the Big Sky Solar Project will be taxable, which will allow for potential changes to the taxation for all properties within the MD of Acadia.

The following table shows the specific requisitions that are paid to external organizations:

Requisition	2016	2017	2018	2019	2020	2021	2022	2023 Budget
ASFF	245,878	241,382	238,943	240,735	241,357	213,055	213,055	219,349
Acadia Foundation	30,174	24,944	7,434	23,675	2,762	30,047	36,706	39,197
RCMP Funding					8,170	14,020	20,429	29,976
CARA	10,900	13,500	13,600	13,600	13,600	13,600		13,600
PEP	495	493	493	493	567	616	642	642
RDRMUG	124	124	123	123	123	123	123	123
Medical/Dental Board	26,023	27,422	25,553	27,143	25,718	25,718	32,415	58,665
PRMS	7,881	5,999	6,119	6,241	6,241	6,426	6,622	9,400
Oyen HandiBus	500	500	500	500	500	750		1,000
FCSS	3,659	3,659	3,659	3,659	3,049	3,659	3,659	3,700
Acadia Library	4,961	5,457	6,003	6,603	6,603	6,603	6,933	7,681
Marigold Regional Library	2,886	2,940	2,988	3,032	3,076	3,076	3,176	3,519
Big Country Waste Management Commission	58,047	58,047	59,779	59,988	66,957	74,499	74,499	74,542

Council and Administration

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Revenues					
Grants	39,517	357,716	279,034	89,517	39,517
Sales of Goods and Services	15,656	58,826	14,656	14,656	14,656
Use of Deferred Grants	-	-	350,000	-	-
Transfers from Reserves	-	-	75,000	75,000	-
	<u>55,173</u>	<u>416,542</u>	<u>718,690</u>	<u>179,173</u>	<u>54,173</u>
Expenditures					
Salaries, Wages, Benefits	229,085	231,344	247,288	244,237	246,858
Operating Costs	92,763	97,210	104,884	107,394	109,871
Contracted Services	69,092	108,803	274,290	126,040	77,790
Transfers to Reserves/Deferred Revenue	-	-	-	-	-
Capital Expenditures	-	252,508	-	-	-
	<u>390,941</u>	<u>689,866</u>	<u>626,462</u>	<u>477,671</u>	<u>434,519</u>
Surplus/(Deficit)	(335,768)	(273,324)	92,228	(298,498)	(380,346)

Use of deferred grants relates to the purchase of the new grader as identified in the capital plan, while the Grants line reflects the grant revenue used for the irrigation project, MSI operating grant and Canada Summer Jobs grant.

The increase in contracted represents the expenses that are anticipated for the irrigation project in 2023.

Transportation

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Revenues					
Grants	129,840	-	115,000	125,865	125,865
Sales of Goods and Services	750	16,625	1,250	750	750
Return on Investments	-	-	140,000	-	-
Proceeds From Sale	-	-	-	25,000	6,500
Transfers from Reserves	-	-	105,600	52,500	38,500
	<u>130,590</u>	<u>16,625</u>	<u>361,850</u>	<u>204,115</u>	<u>171,615</u>
	-	-	-	-	-
Expenditures					
Salaries, Wages, Benefits	172,691	183,166	178,433	179,611	180,098
Operating Costs	188,680	164,904	204,149	202,853	202,614
Contracted Services	7,500	21,342	15,000	15,000	15,000
Transfers to Reserves/Deferred Revenue	102,340	-	90,000	103,365	103,365
Capital Expenditures	-	1,610	595,600	80,000	45,000
	<u>471,211</u>	<u>371,021</u>	<u>1,083,183</u>	<u>580,829</u>	<u>546,077</u>
	-	-	-	-	-
Surplus/(Deficit)	(340,621)	(354,396)	(721,333)	(376,714)	(374,462)

Grant reflects the use of MSI capital funding to support the standard gravelling program that is completed annually. If the fully amount of the grant funds are not expended, they can be reallocated to future projects.

Actual salary and benefits costs were higher in 2022 due to the weather conditions requiring overtime to be paid out to staff members.

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Operating Costs					
Insurance/Permits	11,046	11,384	11,960	12,633	13,354
Freight/Trucking	50,500	25,878	35,500	50,500	50,500
Vehicle Repair/Service	12,000	4,743	12,000	12,000	12,000
Grader Repair/Service	48,000	56,453	66,000	66,000	66,000
Heavy Equipment Repair/Service	8,000	8,282	9,000	9,000	9,000
Safety/Training	4,673	1,925	4,939	4,939	4,939
Shop	10,000	8,590	10,500	10,500	10,500
Utilities	25,460	29,279	30,250	30,780	31,321
Gravel Crushing	-	-	-	-	-
Road Repair	19,000	18,371	24,000	6,500	5,000
Equipment Rental	-	-	-	-	-
	188,680	164,904	204,149	202,853	202,614

Operating costs are generally increasing due to cost increases due to general inflation and higher fuel prices.

Emergency Services

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Revenues					
Grants	-	-	13,000	-	-
Sales of Goods and Services	-	-	-	-	-
	-	-	30,000	-	-
	-	-	-	-	-
Expenditures					
Operating Costs	42,811	44,003	75,689	55,850	56,548
Contracted Services	1,700	4,888	1,000	1,700	1,700
Requisitions	-	-	-	-	-
Capital Expenditures	-	-	17,000	-	-
	44,511	48,891	93,689	57,550	58,248
	-	-	-	-	-
Surplus/(Deficit)	(44,511)	(48,891)	(63,689)	(57,550)	(58,248)

The Grants line reflects the use of grant funding to purchase new bunker gear for volunteer fire members.

The increase in operating costs reflects the purchase of new bunker gear, along with compensation for fire department members. Effective for 2023, the decision was made to compensate fire department members for their response to events. This decision was based on the need to recognize the important role that volunteer fire fighters play in our community.

Utilities

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Revenues					
Grants	12,480	12,000	12,480	12,480	12,480
Sales of Goods and Services	183,500	198,182	185,500	185,500	185,500
	195,980	210,182	197,980	197,980	197,980
Expenditures					
Salaries, Wages, Benefits	15,120	14,400	15,120	15,120	15,120
Operating Costs	78,985	64,598	79,568	79,963	80,366
Contracted Services	94,498	83,870	100,329	102,677	105,090
Discounts	-	-	-	-	-
Borrowing Costs	23,345	23,345	23,345	23,345	23,345
Regional Waste Management	77,500	74,499	74,542	83,189	92,839
Requisitions	-	-	-	-	-
Revenue Sharing	-	-	-	-	-
Transfers to Reserves/Deferred Revenue	10,750	-	8,250	8,250	8,250
Capital Expenditures	-	-	-	-	-
	300,198	260,713	301,154	312,543	325,009
Surplus/(Deficit)	(104,218)	(50,530)	(103,174)	(114,563)	(127,029)

Utilities include the operations of the water and sewer systems for the Hamlet of Acadia Valley, the operation of rural wells, and solid waste.

The proposed transfer to reserves is the difference between the revenue and operational costs for the sewer collection system and lagoon. Funds held in reserve for the sewer system will be used to fund future major repairs or upgrades.

In 2019 a reserve was established, and funded through surplus funds collected from water utility bills, not included funds collected on behalf of the Valley South Water Co-Op.

The reserves for both the water and sewer systems have been established to support ensuring that costs associated with the system are funded by those who benefit from the water and sewer systems.

Operating costs include:

- Insurance for facilities
- Parts and maintenance
- Utility costs

Community Services

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Revenues					
Grants	-	17,617	22,000	-	-
Sales of Goods and Services	9,500	22,098	19,500	17,000	12,000
	9,500	39,715	41,500	17,000	12,000
Expenditures					
Operating Costs	93,802	105,355	112,300	120,600	125,615
Requisitions	54,237	59,703	85,465	61,824	66,452
Capital Expenditures	-	-	-	-	-
	148,039	165,059	197,765	182,424	192,067
Surplus/(Deficit)	(138,539)	(125,344)	(156,265)	(165,424)	(180,067)

Community Services incorporates recreation, cemetery and funding for community related organizations. The following organizations receive funding or are supported by requisitions:

- Palliser Economic Partnership
- Oyen Medical/Dental Board
- Palliser Regional Municipal Services
- Oyen Handibus
- Oyen and District FCSS

Increased requisition costs in 2023 reflect the contribution of up to \$22,000 to upgrades at the Oyen Airport, and \$5,000 contributed to the purchase of furnishings for accommodations for contract nurses. Both of these initiatives were completed in partnership with the Special Areas and Town of Oyen.

Agricultural Service Board

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Revenues					
Grants	157,387	157,387	163,587	157,387	157,387
Sales of Goods and Services	6,750	520	1,750	1,750	1,750
	<u>164,137</u>	<u>157,907</u>	<u>165,337</u>	<u>159,137</u>	<u>159,137</u>
	-	-	-	-	-
Expenditures					
Salaries, Wages, Benefits	112,492	107,290	128,396	126,453	127,386
Operating Costs	64,136	49,891	66,996	67,095	69,720
Contracted Services	42,023	25,172	43,589	29,989	29,989
Capital Expenditures	-	-	-	-	-
	<u>218,652</u>	<u>182,352</u>	<u>238,981</u>	<u>223,538</u>	<u>227,096</u>
Surplus/(Deficit)	(54,515)	(24,445)	(73,644)	(64,401)	(67,959)

Salaries, Wages and Benefits includes the following items:

- ASB per diems
- Salaries and Benefits for full-time staff, including employer contributions to LAPP
- Summer student wages

	Budget 2022	Actual 2022	Proposed 2023	Proposed 2024	Proposed 2025
Operating Costs					
Insurance/Permits	9,136	9,081	9,741	10,185	10,652
Freight/Trucking	1,000	27	500	500	500
Equipment Repair/Service	12,000	10,703	12,500	12,500	12,500
Safety/Training	2,000	1,143	2,000	2,000	3,000
Materials and Supplies	31,100	19,179	32,100	31,600	32,600
Utilities	8,900	9,758	10,155	10,310	10,468
Equipment Rental	-	-	-	-	-
	<u>64,136</u>	<u>49,891</u>	<u>66,996</u>	<u>67,095</u>	<u>69,720</u>