

WAIVER OF NOTICE

In accordance with Section 194 (4) of the *Municipal Government Act*, R.S.A. 2000, c.M-26 as amended, or repealed and replaced from time to time, notice of a Special Council Meeting is hereby waived as follows:

DATE: Monday, February 2, 2025

TIME: 9:00 a.m.

PLACE: White Sands Municipal Office

NATURE OF BUSINESS: 2025 Budget Discussions.

No matter other than that stated in this notice calling the special council meeting may be transacted at the meeting unless the whole council present at the meeting and the council agrees to deal with the mater in question (MGA 194)

Mayor Thurston

Councillor Zembal

Councillor Ashford



Draft Operating Budget 2025 Discussion

| | |
|---|----------------|
| Introduction | Page 2 |
| Budget Overview | Page 3 |
| Requisitions | Page 3 |
| Assessment Values | Page 4 |
| Municipal Staffing | Page 6 |
| Operating Budget Summary | Page 8 |
| Franchise Fee | Page 11 |
| Other Council Discussion Budget Considerations | Page 11 |

Introduction

Why do municipalities have to develop budgets?

Under Alberta's Municipal Government Act, every municipality is required to develop a three-year operating budget and five-year capital budget to allocate revenues and expenditures for their municipality.

What is an operating budget?

An operating budget is a financial plan that balances the expected costs Administration believes the Summer Village will incur in the general day-to-day activities which is primarily funded through taxation and grants. The operating budget makes up the day-to-day costs needed to provide the services and programs.

What is a capital budget?

The Summer Village's capital budget is like purchasing a home or vehicle – it funds major fixed assets for the future. At home, capital costs include your home, vehicles and renovations. The capital budget also funds the repayment of debt. At the Summer Village, capital purchases include machinery, vehicles, buildings, and parks.

How does the municipality fund budgets?

Council and Administration work hard to calculate exactly how much money is necessary to fund the programs and services in the operating and capital budgets and then generate the funds from multiple sources including taxable property assessments, net transfers from reserve, federal and provincial grants and user fees and sale of goods.

Everything the Summer Village does has an associated cost, whether it is a direct service such as snow removal and the purchasing of a vehicle to use for road maintenance or an indirect cost such as maintaining our facilities and running the municipality.

What is a reserve?

A reserve is like a savings account. Every year, the Summer Village puts funds into reserves. Money is only taken out of a reserve when needed and used for critical capital and operational budget items. The advantage of putting money into reserves is that interest accrues on a large portion of the balance.

How are property values assessed?

Residential property values are based on the home's market value, which is the price a property is reasonably expected to sell for if sold by a willing seller to a willing buyer. Assessors gather information on ranges of sale prices in the marketplace and use these sales to determine the assessed values. In setting the values on a property, assessors complete the valuation using mass appraisal techniques and statistical data as part of the process for calculating market value assessments.

Some types of property such as farmland, machinery & equipment, and linear are assessed using provincially regulated values and therefore have different valuation standards than market value.

Financial Reporting Requirements

The Alberta Municipal Government Act states that each municipality must prepare annual financial statements of the municipality for the immediately preceding year in accordance with:

- Canadian generally accepted accounting principles for municipal governments, which are the standards approved by the Public Sector Accounting Board included in the CPA Canada Public Sector Accounting Handbook, and any modification of the principles or any supplementary accounting standards or principles established by the Minister by regulation.

The municipality's financial statements must include the municipality's debt limit, and the amount of the municipality's debt as defined in the regulations under section 271. Each municipality must make its financial statements, or a summary of them, and the auditor's report of the financial statements available to the public in the manner the council considers appropriate by May 1 of the year following the year for which the financial statements have been prepared.

Budget Overview

External Factors:

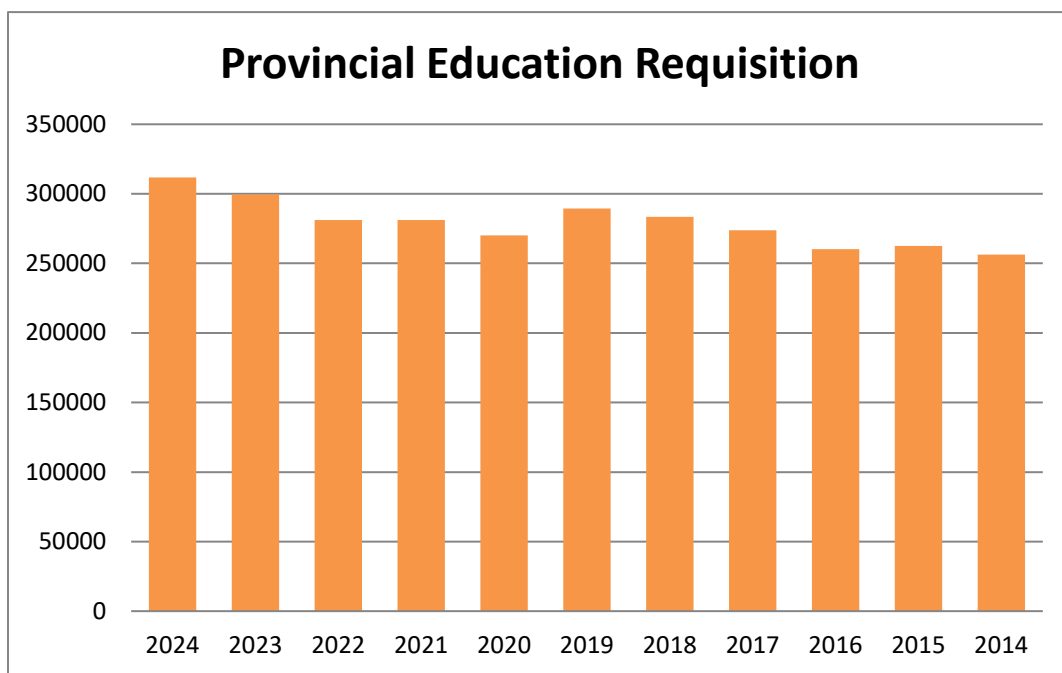
- TD economics outlines the following:
 - Following an economic slowdown in 2023 and 2024, Canadian output is expected to rebound to around trend in 2025 and 2026. Thereafter, real GDP growth is expected to move to around 1.9% to 2.0% from 2027 to 2029. Population growth is expected to decelerate in the coming years after its recent boom, boosting labour productivity growth.
 - As a result, the Bank of Canada is expected to cut its policy rate back to our estimate of the neutral rate of 2.25% by 2025.
- American Tariffs on Canada can affect the municipality in purchasing, costs of repairs, contracts, replacements, etc.
- Federal carbon tax increase again April 1, 2025, will be another 0.21 cents per litre
- Operating cost increases include: insurance renewals with new assets, utility increases (water, sewer, gas, power), etc.
- Some requisitions increases will be provided once the Provincial Budget release March 1, 2025 as breakdown information provided below.

Requisitions

Alberta School Foundation

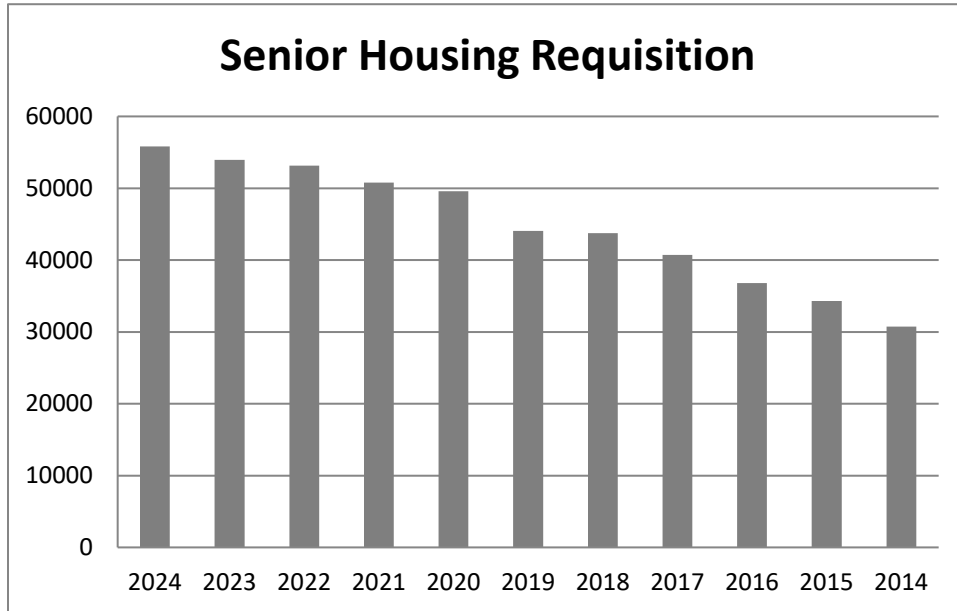
Each year the province calculates the amount that every Alberta municipality must contribute towards the public education system. The municipality must collect these taxes from their ratepayers and forward the requisitioned amount to the province on a quarterly basis.

In 2024, the total taxes collected from SVRS ratepayers for the Alberta School Foundation was \$309,432. However, until the provincial budget is released on March 1, 2025, the municipality will not know the effects for 2025. The chart below shows the increases over the years.



County of Stettler Housing Authority

Similar to the Alberta School Foundation requisition, this requisition amount is set by the County of Stettler Housing Authority and must be collected and remitted by the municipality to the County of Stettler Housing Authority. The municipality has been advised that there will be no indicated increase for 2025.



Other Requisitions

Unlike the above two types of requisitions, these requisitions are not separated on the tax notice but must be remitted to various organizations from the general operating budget. These amounts are set by the various organizations, and the Village must pay them to receive the corresponding services. Many of the services provided are requirements under the MGA.

| | |
|--|--------------------------|
| Capital Regional Assessment Review Board Agency | \$ 1,045.00 |
| Municipal Property Consultants – Assessment Services | \$ 13,395.00 |
| Parkland Regional Library Board | \$ 1,710.00 |
| Parkland Regional Subdivision Development Appeal Board | \$ 500.00 |
| Provincial Policing | \$23,000.00 |
| Shirley McClellan Commission Phase 6 Debenture | \$3,608.00 |
| Shirley McClellan Commission Debenture ongoing | \$ 4,365.00 |
| Stettler Regional Emergency Management Authority | \$ 10,256.00 |
| Stettler Regional Fire Department | \$ 52,500.00 |
| Stettler Regional Waste Management Authority | \$ 22,462.00 |
| TOTAL | \$ = \$132,841.00 |

Assessment Values

The total assessment value of property in the Summer Village of White Sands has increased by 5.1% from the previous year. See below assessment growth graph below.

Summer Village of White Sands

Assessment Growth

Assessment Year: 2024

| Assessment Code | Tax Status | Grand Totals | | | |
|-------------------|------------|--------------------|--------------------|----------------|-----------------------|
| | | Previous (2023) | New (2024) | Growth | Inflation |
| 1 residential imp | T | 116,574,860 | 123,128,630 | 475,180 | 6,078,590 5.2% |
| 2 vac residential | T | 10,474,870 | 10,557,070 | -379,130 | 461,330 4.4% |
| 4 farmland | T | 630 | 630 | 0 | 0 0.0% |
| 10 exempt res | E | 1,227,810 | 1,291,070 | 0 | 63,260 5.2% |
| 11 exempt public | E | 5,365,980 | 5,825,220 | 197,850 | 261,390 4.9% |
| Total: | | 133,644,150 | 140,802,620 | 293,900 | 6,864,570 5.1% |

The increase in assessment value is affected by:

- Inflation
- Changes in market value based on Real Estate Listings and Sales
- Improvements to properties such as: development permits (14 issued in White Sands in 2024)
- improvements to properties is reflected in the residential and vacant residential noted in the graph above.

Properties considered Residential are:

- Residential (detached house or similar building)
- Vacant Residential (bare lot)
- Farmland (undeveloped land that is capable of being used for agriculture)

It is the Council that directs the amount of taxes collected in the tax year to address current and anticipated expenses.

The Summer Village of White Sands has limited non-residential assessment to realize other tax revenues, so most taxes collected are residential. Less than 0.5% of the total tax revenues come from non-residential taxes, such as indicated below.

Properties considered Non-Residential are:

- Commercial (property/building from which a company can operate a business)
- Linear (gas and oil wells, pipelines, telecommunications and cable property, and electric power property - ex. APEX, ATCO, TELUS)
- Linear property assessment balance is \$659,960, which the rates are set by the province of Alberta, not by the municipality.

Summer Village of White Sands

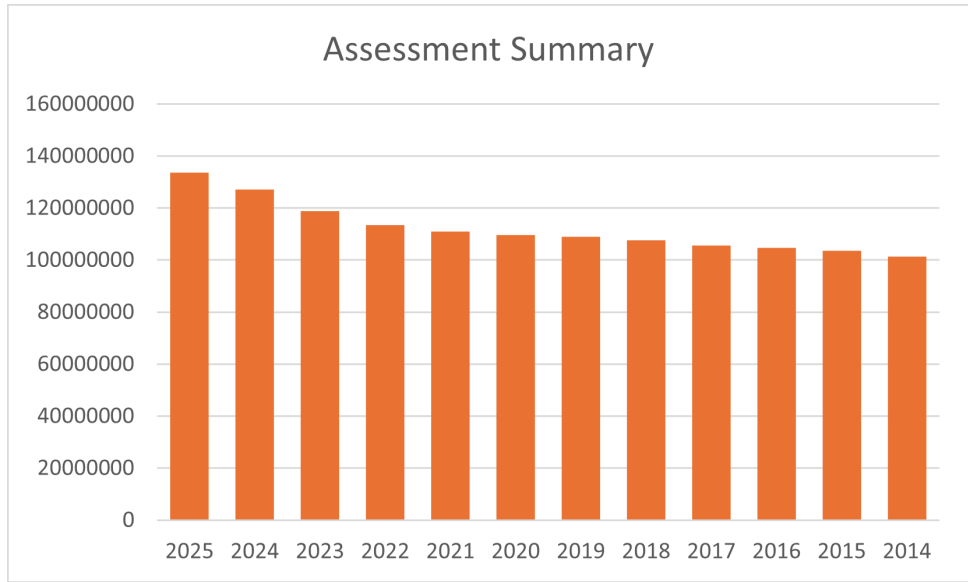
Assessment Summary

Assessment Year: 2024

Municipal Assessment

| Code | Description | Records | Status | Land | Impr. | Other | Total |
|----------------------------------|-----------------|------------|--------|-------------------|-------------------|----------|--------------------|
| 1 | residential imp | 318 | T | 55,871,010 | 67,257,620 | 0 | 123,128,630 |
| 2 | vac residential | 84 | T | 10,557,070 | 0 | 0 | 10,557,070 |
| 4 | farmland | 1 | T | 630 | 0 | 0 | 630 |
| Taxable Total: | | 403 | | 66,428,710 | 67,257,620 | 0 | 133,686,330 |
| Sub Total: | | 403 | | 66,428,710 | 67,257,620 | 0 | 133,686,330 |
| Code | Description | Records | Status | Land | Impr. | Other | Total |
| 10 | exempt res | 11 | E | 987,540 | 303,530 | 0 | 1,291,070 |
| 11 | exempt public | 36 | E | 5,097,100 | 728,120 | 0 | 5,825,220 |
| Exempt Total: | | 47 | | 6,084,640 | 1,031,650 | 0 | 7,116,290 |
| For Municipal Assessment: | | 450 | | 72,513,350 | 68,289,270 | 0 | 140,802,620 |
| Grand Totals | | | | | | | |
| Taxable Total: | | 403 | | 66,428,710 | 67,257,620 | 0 | 133,686,330 |
| Exempt Total: | | 47 | | 6,084,640 | 1,031,650 | 0 | 7,116,290 |
| Parcels: 450 | | 450 | | 72,513,350 | 68,289,270 | 0 | 140,802,620 |

*Does Not Include Linear Assessments

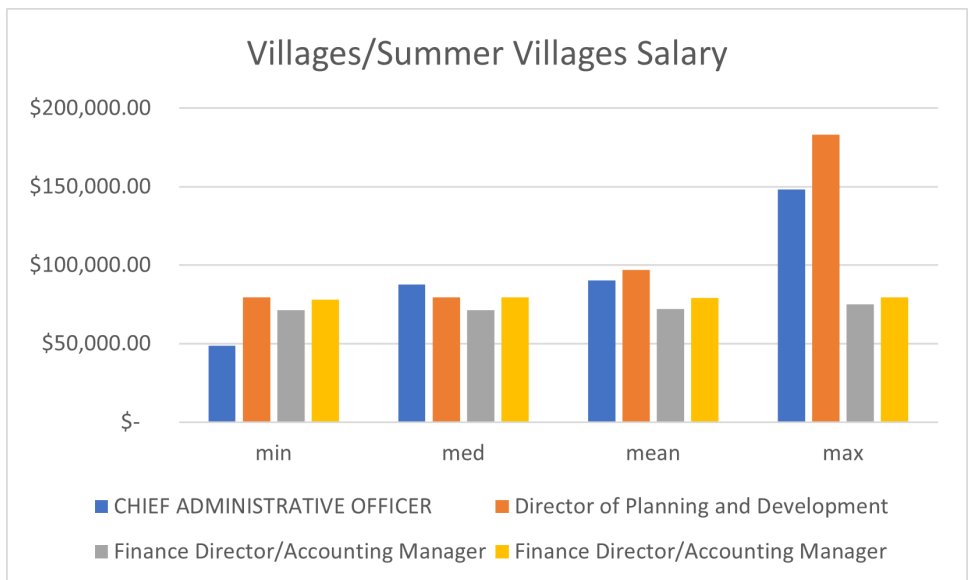


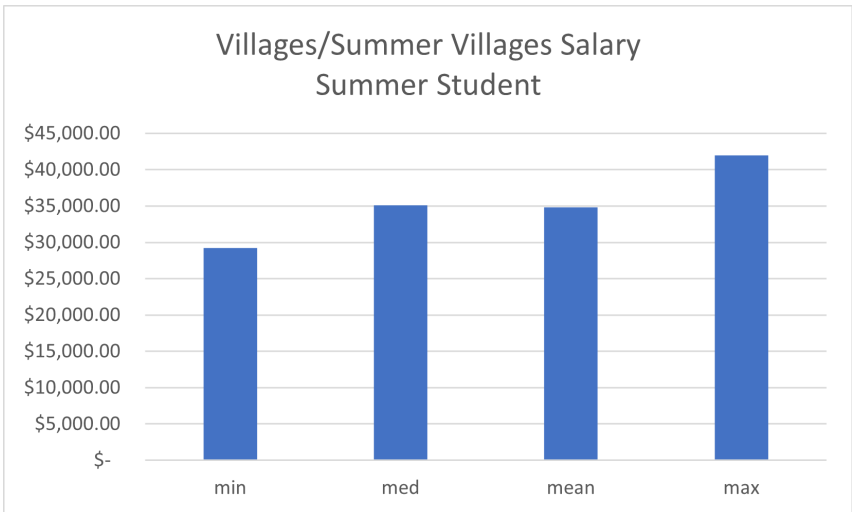
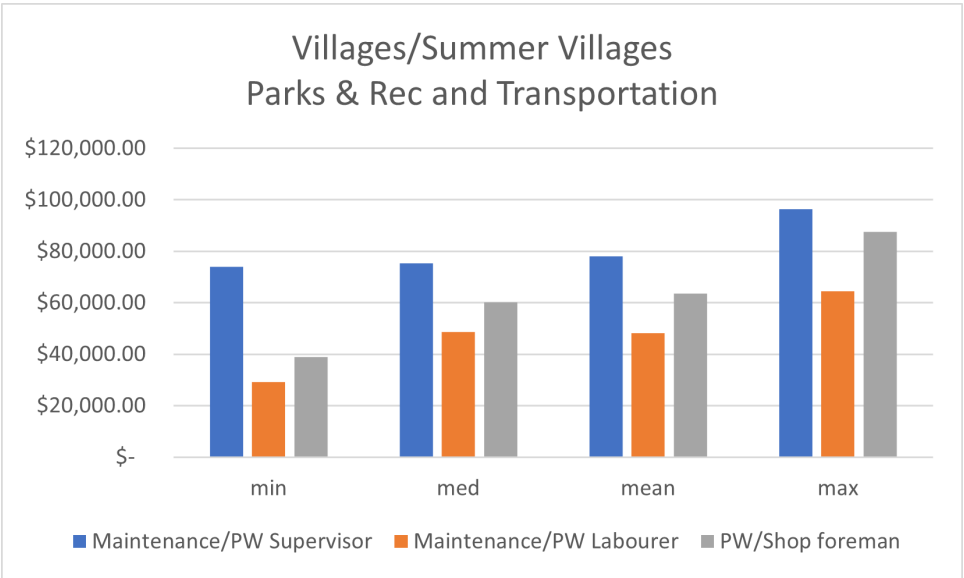
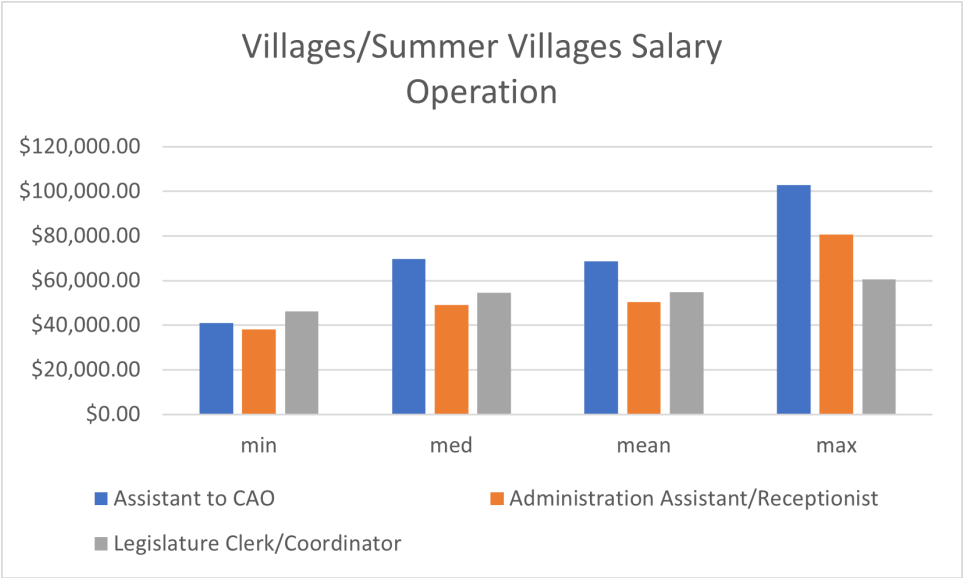
Municipal Staffing

The Operating Budget reflects the true costs of operating a standalone municipal office, equipment and staffing, inflationary increases are accounted for in all categories. The Municipal Office staff consists of a permanent full-time CAO, a permanent part-time Office Manager, and one permanent full-time Maintenance Supervisor. Payroll liabilities have increased by approximately 2.7%.

The Municipality has applied for the annual Canada Summer Student Grants for the municipality to hire summer students as labourers to assist with municipality in the following areas: grass cutting, outhouse maintenance, garbage, and beach cleanup. This grant helps offset approximately a quarter of the wages for the summer staff. The municipality has applied for three summer students but based on budget approval we are more than likely only able to employ two based on the proposed budget.

The municipality’s wages follow the annual AMSC Wage & Compensation Survey completed by Alberta Municipalities and fall within the minimum and median averages. The following charts depict the findings for Villages and Summer Villages.





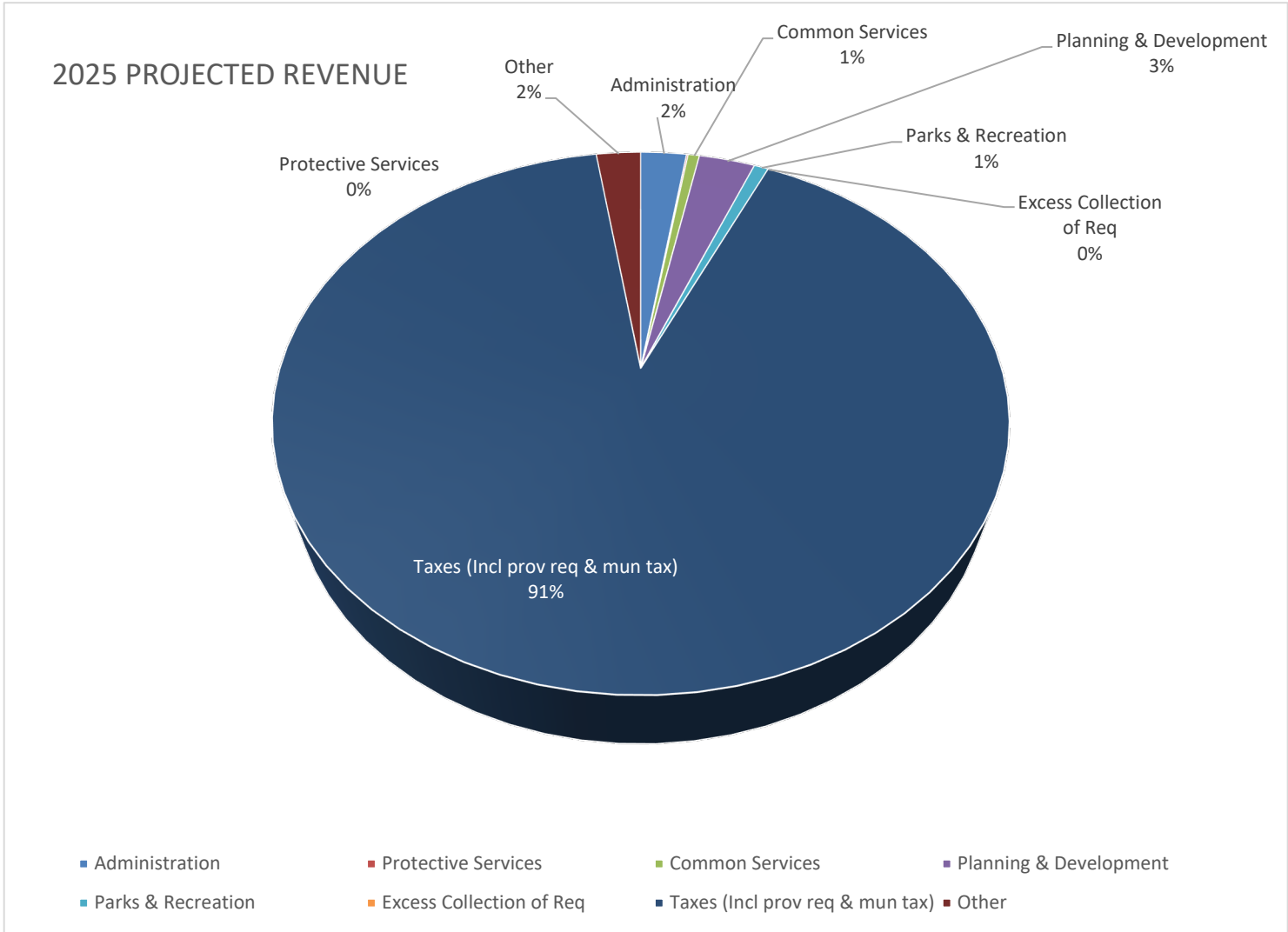
Operating Budget Summary

The 2025 budget is based on the 2024 actuals will minor adjustments to reflect a proposed 4% tax increase. The proposed budget does not include the new assessment growth numbers and is currently showing a small deficit that may be covered once final numbers and assessment growth has been applied.

Administration is proposing council consider a 4% to 4.5% increase overall for 2025, depending on any further changes to the proposed budget discussions as provided within this report.

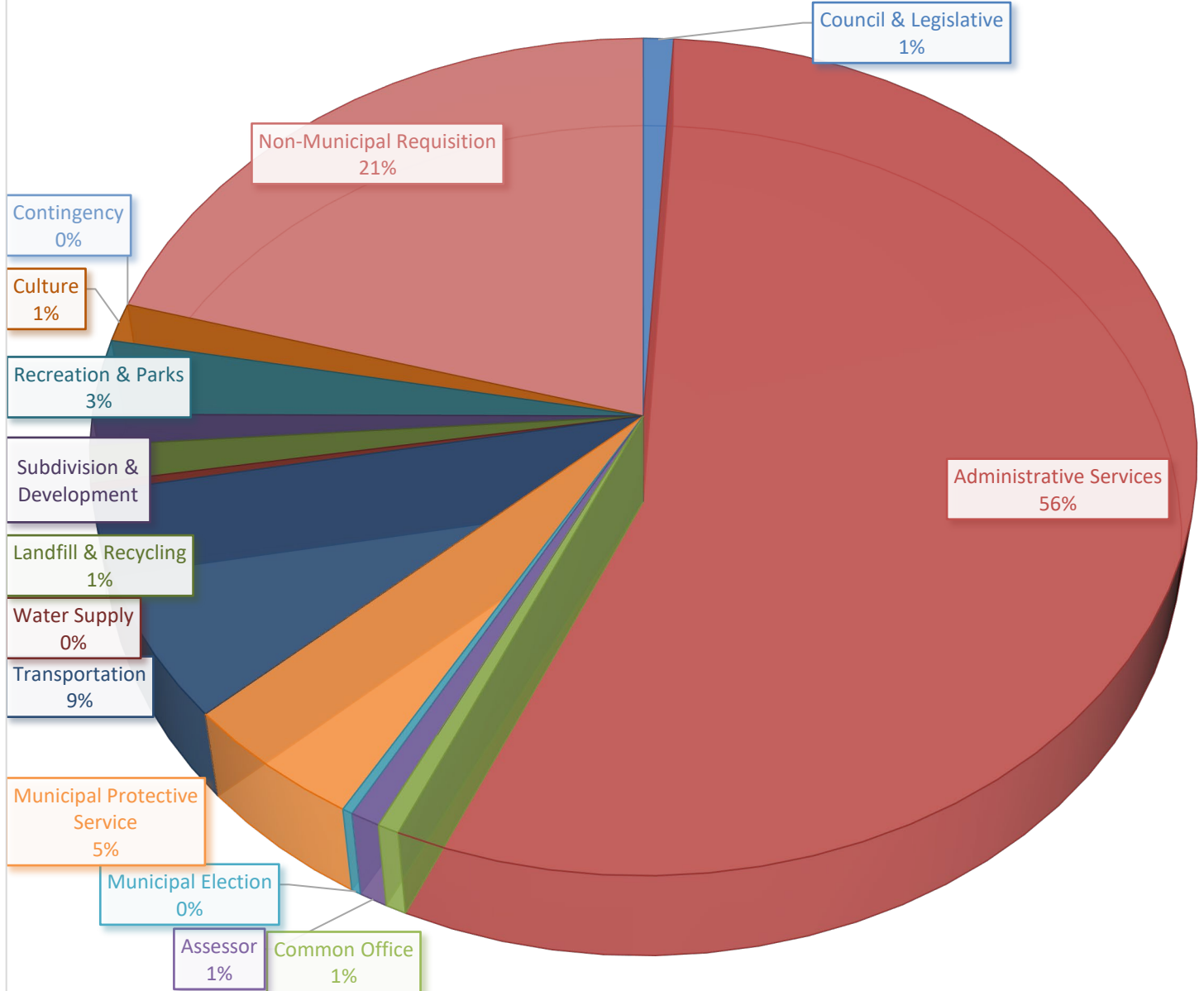
| General Ledger | <u>2024 DRAFT Operating Budget</u> | | |
|---------------------------------|------------------------------------|-----------------------|---------------------|
| | 2024 Budget | 2024 Actual | 2025 Budget |
| REVENUES | | | |
| Administration | \$34,510 | \$46,536 | \$24,340 |
| Protective Services | \$825 | \$825 | \$825 |
| Common Services | \$0 | \$0 | \$6,000 |
| Planning & Development | \$32,580 | \$30,957.80 | \$29,700 |
| Parks & Recreation | \$12,300 | \$25,360 | \$7,560 |
| Excess Collection of Req | \$5,908 | \$5,902.70 | \$0 |
| Taxes (Incl prov req & mun tax) | \$877,272 | \$877,320.27 | \$903,394 |
| Other | \$21,800 | \$25,654.27 | \$23,600 |
| Total Revenues | \$985,195 | \$1,012,556.04 | \$995,419 |
| EXPENSES | | | |
| Council & Legislative | \$16,885 | \$15,297.01 | \$17,240 |
| Administrative Services | \$209,913 | \$205,292.69 | \$995,419 |
| Common Office | \$19,450 | \$33,083.72 | \$10,445 |
| Assessor | \$13,725 | \$14,408.04 | \$14,440 |
| Municipal Election | \$0 | \$3,609.890 | \$5,000 |
| Municipal Protective Service | \$77,720 | \$85,653.31 | \$89,466 |
| Transportation | \$122,370 | \$158,848.55 | \$157,336 |
| Water Supply | \$5,615 | \$2,544.02 | \$5,991.91 |
| Landfill & Recycling | \$26,955 | \$24,610 | \$25,412 |
| Subdivision & Development | \$33,265 | \$18,169.46 | \$21,480 |
| Recreation & Parks | \$77,760 | \$69,950.50 | \$51,866.07 |
| Culture | \$14,008 | \$27,568.88 | \$26,470 |
| Contingency | \$0 | \$0 | \$0 |
| Non-Municipal Requisition | \$367,529 | \$367,527.41 | \$367,530 |
| Total Expenses | \$985,195 | \$1,026,563.48 | \$998,613.07 |
| (Surplus)/Deficit | \$0 | \$14,007.44 | \$3,194.07 |

Revenues



Expenses

2025 PROJECTED EXPENSES



Franchise Fees

The Council has historically decided not to implement franchise fees for APEX Utilities or ATCO Electric as additional revenues for the Summer Village of White Sands. Both remain at 0%. Implementing Franchise Fees would increase costs to the Summer Village of White Sands ratepayer.

Other Council Discussions for Budget Consideration

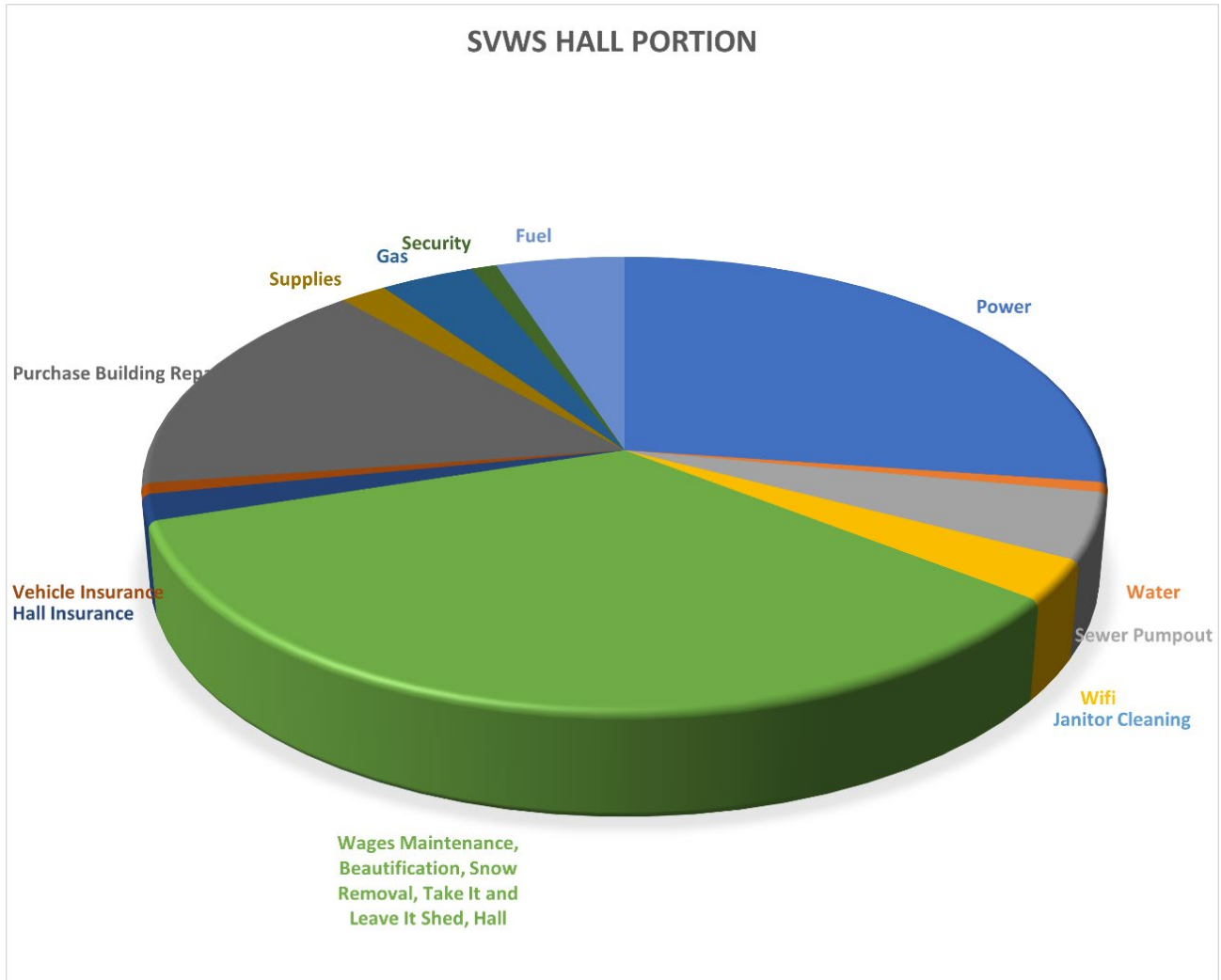
Attached for council discussion that is not included in the Draft budget presented are as follows:

- Dust Control (checking with grants)
- Hall Society Requests:

WHITE SANDS HALL SOCIETY BUDGET REQUESTS 2025 COUNCIL CONSIDERATION AND BUDGET INCREASE

| ITEM | COST | PAYEE | Budget Implications Percentage Mill rate | Other items to consider |
|--|-----------------------------|-------------------------|---|-------------------------------------|
| Upgrade to parking lot in front of hall | | | | |
| - Retaining wall | | \$2,500 WS Council | 0.253757 | |
| - Smaller gravel | | \$500 WS Council | 0.0507514 | |
| - Party tent | | \$2,000 WS Hall Society | | |
| Information boards | | | | |
| - Digital billboard | \$17 000 | WS Council | 0.172555 | |
| - Message Board | \$900 | WS Council | 0.0913525 | |
| - New cork for current bulletin boards | 5 x \$200 = \$1000 | WS Council | 0.101503 | |
| New front and back windows for hall – side sliders | \$570 x 2 = \$1140 | WS Council | 0.115713 | |
| ITEM | COST | PAYEE | | |
| LED lights on hall | | \$380 WS Council | 0.0304508 | |
| Air curtains | \$220 x 2 = \$440 | WS Council | 0.0446612 | |
| Refurbish large grill/ cast iron griddle | | \$500 WS Council | 0.0507514 | |
| Bug extermination | | \$700 WS Council | 0.0710519 | |
| Refurbish front door - clean, paint, new weather stripping | | \$300 WS Council | 0.0304508 | |
| Pressure wash building | No cost – summer students | WS Council | | |
| Better wifi | \$500 hardware \$140/ month | WS Council | 0.0812022 | Actual now \$1380 increase of \$900 |
| Indoor access to attached garage | Unsure | WS Council | | |
| | | | 1.0942002 | percentage increase to budget |
| | Estimated costs: | properties | cost per property | |
| | \$11,260 | 409 | \$27.53 | Special Tax MGA 382(1) |

Municipal Expenses covered for the Hall Society Operations of the Municipal Hall for 2024 and are currently covered in the 2025 Draft budget is approximately \$50,000 or 1% of the budget as shown in the budget graphs.



- Items to discuss by Council

Budget items to discuss:

- Dumpsters with lids
- Boat launch road pathway
- 6" or 8" trash pump on trailer
- Side by side or mini truck
- 3rd Street pond (Shaws) fused drain line
- Drain swale or culvert from dumpster area to lake about 4' elevation
- Fix drain line that got cut in front of new office
- File cage for old files (chain link)
- \$700.00 back to Hall Society for candidate forum
- Boat motor (can wait?)
- Gift for silent auction at ASVA conference (about 250?)
- \$1,050 for \$6 increase in landfill requisition
- Money to do preliminary study of water supply to lots in Village
- Erskine cemetery supplies for November 11, 2025 (\$200)
- Basket ball backboard for playground by bottle depot \$788.30
- Emerging trends course for counsel and staff