

2023-2025 OPERATING BUDGET



2023 - 2025 OPERATING BUDGET

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Mission, Vision, Values and Principles

The Mission, Vision, Values and Principles statements provide direction for everything that happens in the municipality. They bring focus to Council and Administration on where the organization is going and what it is trying to achieve in response to the needs of residents. They define the core values of the organization and how people are expected to behave as public servants.

OUR MISSION

Working together to build a complete community for today and the future through our commitment to the well-being of Morinville



OUR VISION

Morinville, embracing our past; building pride in our future



OUR CORE VALUES

Morinville’s Council and Administration have endorsed the following core values which govern the way the municipality makes decisions, how we interact with others and how we conduct ourselves

- Integrity and Respect • Leadership and Innovation
- Accountability and Service Excellence • Teamwork and Responsiveness • Partnership and Collaboration



Municipal Sustainability Plan (MSP)

The Municipal Sustainability Plan provided high level, long-term strategic direction to guide community decision making toward a sustainable future. The MSP is organized around six “sustainability” pillars that represent the diverse aspects of the community including: governance, cultural, social, economic, infrastructure and environment.



The budget information presented in this report is consolidated and organized into Tax Supported Operations and Utility Supported Operations.

The focus of the 2023 budget remains largely unchanged from 2022 – maintaining service levels in the face of historic levels of inflation and continued downloading of costs from the federal and provincial governments. To be clear, inflation refers to the general increase in the cost of goods and services from one year to the next. In Alberta, general inflation was as high as 9% during the summer months, with some product specific inflation, such as fuel, as high as 30%. This causes the cost of everything the Town purchases to rise including fuel, parts, equipment, supplies and contracted services. Council and Administration worked very hard to identify cost restraints and reductions and limit any new spending to items required to continue to provide key municipal services. Additionally, Council implemented several operational changes to aide in containing cost increases. The result of these efforts limited overall expense increases to 4.89%.

New initiatives for 2023 have been limited to an update of the Town's Utility Master Plan and an increase in snow clearing for residential streets that is now triggered when the snowpack reaches 12cm as opposed to the previous 15cm. Infrastructure Services has a rotational budget for major master planning documents that typically results in one plan being refreshed every budget cycle. For 2022 that planning document was the Town's Engineering Standards. For 2023 the plan identified to be in most need of updating is the Utility Master Plan. Updating the plan provides essential information to Town administration in planning for the operation, maintenance and growth of the Town's network or utility infrastructure. Additionally, without regular plan updates the Town would be unable to identify suitable utility infrastructure needs for new development, rendering the Town unable to properly evaluate and approve new development. Estimated costs for the update of the Utility Master Plan are budgeted at \$120,000. Increased investment in snow and ice clearing was a decision made by Council in September 2022 as part of the review and update of the Snow and Ice Control Policy. The 2021/2022 winter season presented some extraordinary challenges for the Infrastructure Services team in addressing snow and ice and raised some concerns from residents. Council has responded to those concerns by improving the level of service, with associated cost increases expected to be approximately \$100,000.

Staff and staff compensation remain largely unchanged from 2022. With respect to Full Time Equivalent (FTEs) Council approved the addition of one clerical position and the increase of another clerical position from part to full time. These increase in resources will assist the Finance and Infrastructure Services departments in addressing capacity constraints during peak periods to ensure the departments can keep organized, respond to residents, and meet provincial regulatory requirements. With respect to cost of living increases union staff will receive their collectively bargained 1.5% cost of living increase while Council made the decision to keep cost of living for all out of scope staff and Council at 0% for the third consecutive year. Lastly, while contracted services have been reduced or maintained in most areas, Council approved the addition of contracted support for a Geographical Information System (GIS) Planning Technician. This contracted position will provide essential services to the public and Town departments that rely on up-to-date mapping information for various operational needs such as snow clearing, public lands maintenance, fire service delivery, enforcement, infrastructure maintenance, asset management, and economic development.

Overall the consolidated budget kept expense increases well below inflation at 4.9% with increases primary due to inflation, continued increases to policing costs and large increases to payroll taxes. Total revenues are anticipated to increase by 6.7% primarily due to stronger than anticipated increases in local residential property assessment from both new builds and appreciation of current properties and the Council approved 3.5% tax rate increase. As revenues are anticipated to increase slightly more than expenses, the budget includes a modest increase to net revenues and transfers to reserves of approximately \$441,000.

Where Your Municipal Property Taxes Go

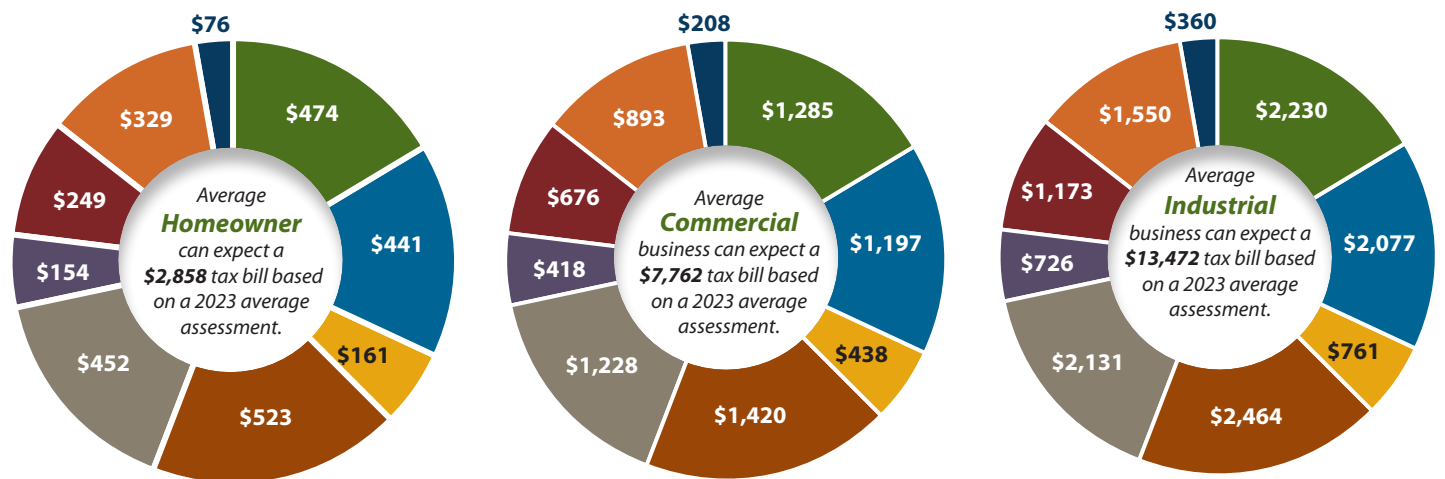
Budget Impact on Property Taxes

The department spending reductions, holding the line on new projects and the implementation of operational changes have paved the way for Council to approve a modest tax increase of 3.5%. In the fall of 2022 Council also approved a taxation policy that annually increases the residential to non-residential tax ratio by 0.05 in order to obtain better balance between the share of the tax burden borne by residential and commercial property owners. The combination of the policy implementation and the general tax increase is an aggregate non-residential tax rate increase of 8.2%.

Annual increases outlined in the table below are based on average assessments.

Property Type	Municipal Services	* Provincial School Requisition	*Homeland Housing Requisition	Total Tax Increase
Residential	\$151.02	-\$22.85	\$1.24	\$129.41
Commercial	\$655.74	\$260.78	\$2.21	\$918.73
Industrial	\$418.80	\$148.71	-\$3.21	\$564.30

*Estimated increases – these property taxes are collected by the Town on behalf of the Province of Alberta and Homeland Housing.



- Corporate Services
- Enforcement & Police Services
- Fire Services
- Parks & Recreation
- Infrastructure Services
- Planning & Development
- Community Services
- General Administration
- Council

Corporate Services

- Financial Services
- Human Resources
- IT
- Parks & Recreation
- Morinville Leisure Centre
- Sport Rec & Bus
- Open Spaces

Community Services

- Community Engagement
- Cultural Performance Programming
- FCSS
- Cultural Events Programming

Enforcement & Police Services

- Enforcement Services & Police Department

Infrastructure Services

- Public Works
- Roads

General Administration

- Office of CAO
- General Government Service
- Emergency Management
- Community Services Admin
- Communications, Leg Services, IM

- For the average **residential** property valued at \$346,439, a homeowner can expect a \$2,857.60* municipal property tax bill which reflects an increase of \$151.02 annually or \$12.59 per month.
- For the average **commercial** property valued at \$818,303, the business can expect a \$7,762.25* municipal property tax bill which reflects an increase of \$655.74 annually or \$54.64 per month.
- For the average **industrial** property valued at \$1,420,197, an owner can expect a \$13,471.68* municipal property tax bill which reflects an increase of \$418.80 annually or \$34.90 per month.

*Please note the amounts noted above do not include property taxes for provincial education or seniors housing purposes.

Utility Costs

As noted in the budget overview, inflation has had a large impact on Town operations and utility services are no exception. Cost increases for water and wastewater are directly tied to increases in the provision of water from the Regional Water Customers Group, water treatment costs from the Alberta Capital Region Wastewater Commission, and cost of materials, goods and utilities required to operate and maintain these utilities. Solid waste costs were kept mostly in line with 2022 costs, with the exception of a 5% administrative fee added to Roseridge charges to cover the Town's cost of providing billing services through Town utility charges. Lastly, the increase to stormwater charges is a result of Council's phasing in of separate stormwater fees. The phasing in plan for those fees concludes with the 2023 increase, therefore moving forward any further increases will be reviewed and assessed as part of the annual review of all Town fees and charges.

Total Projected Utility Cost per Household

	2023		2022		\$ Change		Annual % Increase
	Annual	Monthly	Annual	Monthly	Annual	Monthly	
Water	\$820.62	\$68.39	\$769.35	\$64.11	\$51.27	\$4.28	6.7%
Sanitary	\$570.01	\$47.50	\$528.79	\$44.07	\$41.22	\$3.43	7.8%
Total	\$1,390.64	\$115.89	\$1,298.14	\$108.18	\$92.50	\$ 7.71	
Solid Waste	\$257.96	\$1.50	\$251.88	\$20.99	\$6.08	\$0.51	2.4%
Total	\$1,648.60	\$137.38	\$1,527.13	\$27.26	\$98.58	\$8.21	
Storm Water	\$180.00	\$15.00	\$120.00	\$10.00	\$60.00	\$5.00	50.0%
Total	\$1,828.60	\$152.38	\$1,617.13	\$134.76	\$158.58	\$3.21	9.8%

**Please note the above is provided as a general estimate only. Actual utility bills will be largely based on water use as well as any utilization of the Roseridge Landfill.*

Property Tax Revenue

Comparators are chosen based on the Alberta Government's Municipal Measurement Index (MMI). The MMI uses population, equalized assessments and geographic information to develop a metric that allows for the comparison of statistically similar municipalities. The comparator communities referenced below were chosen based on their similarities to Morinville.

Revenue Comparisons

2021 Municipalities Comparable to Morinville

Municipality	Tax Revenue Per Capita	Sales & User Charges Per Capita	Total Revenue Per Capita
BLACKFALDS	2,664	2,107	557
COALDALE	3,399	2,135	1,264
DEVON	2,841	2,908	-67
INNISFAIL	2,930	2,781	150
OLDS	3,064	2,649	415
PEACE RIVER	4,039	5,840	-1,801
PONOKA	3,155	2,996	159
REDCLIFF	2,631	2,309	322
SLAVE LAKE	3,986	3,407	579
TABER	3,310	2,969	342
MORINVILLE	2,598	2,727	-129
Average	3,147	2,984	163

2021 Regional Municipalities Comparable to Morinville

Municipality	Tax Revenue Per Capita	Sales & User Charges Per Capita	Total Revenue Per Capita
BEAUMONT	2,977	2,289	688
DEVON	2,841	2,908	-67
FORT SASKATCHEWAN	3,546	2,917	629
GIBBONS	2,694	2,462	232
LEDUC	4,152	3,348	804
SPRUCE GROVE	2,926	2,505	421
ST. ALBERT	3,832	2,765	1,067
STONY PLAIN	2,818	2,530	288
MORINVILLE	2,598	2,727	-129
Average	3,154	2,717	437

Tax Rate Comparisons

2022 Non-Residential Tax Rate Comparison

Municipality	Gnrl Mncpl Rate
PEACE RIVER	19.5693
REDCLIFF	14.5027
SLAVE LAKE	13.8858
TABER	12.8476
BLACKFALDS	10.7993
PONOKA	10.4762
COALDALE	10.2806
DEVON	9.0724
MORINVILLE	8.7665
INNISFAIL	8.3177
OLDS	8.2911
Average	11.5281

Regional Municipality	Gnrl Mncpl Rate
GIBBONS	13.5724
ST. ALBERT	11.8230
FORT SASKATCHEWAN	9.9147
BEAUMONT	9.6858
SPRUCE GROVE	9.6214
LEDUC	9.3800
DEVON	9.0724
MORINVILLE	8.7665
STONY PLAIN	8.1564
Average	9.9992

2022 Residential Tax Rate Comparison

Municipality	Gnrl Mncpl Rate
PEACE RIVER	10.1923
SLAVE LAKE	9.3689
BLACKFALDS	8.3050
TABER	8.1857
COALDALE	8.0628
PONOKA	8.0271
MORINVILLE	7.9696
INNISFAIL	6.7410
DEVON	6.1977
OLDS	6.0602
REDCLIFF	5.5123
Average	7.6930

Regional Municipality	Gnrl Mncpl Rate
ST. ALBERT	8.2160
MORINVILLE	7.9696
LEDUC	7.5520
GIBBONS	7.3164
BEAUMONT	6.9184
SPRUCE GROVE	6.5900
STONY PLAIN	6.4768
DEVON	6.1977
FORT SASKATCHEWAN	5.4480
Average	6.9650

2022 Tax Rate Ratios

Note: Legislative Max Ratio of 5.00

Municipality	Non Rsdntl Rate	Rsdntl Rate	Ratio
REDCLIFF	14.5027	5.5123	2.63
PEACE RIVER	19.5693	10.1923	1.92
TABER	12.8476	8.1857	1.57
SLAVE LAKE	14.7458	9.3689	1.48
DEVON	9.0724	6.1977	1.46
OLDS	8.2911	6.0602	1.37
PONOKA	10.4762	8.0271	1.31
BLACKFALDS	10.7993	8.3050	1.30
COALDALE	10.2806	8.0628	1.28
INNISFAIL	8.3177	6.7410	1.23
MORINVILLE	8.7665	7.9696	1.10
Average			1.51

Municipality	Non Rsdntl Rate	Rsdntl Rate	Ratio
GIBBONS	13.5724	7.3164	1.86
FORT SASKATCHEWAN	9.9147	5.4480	1.82
DEVON	9.0724	6.1977	1.46
SPRUCE GROVE	9.6214	6.5900	1.46
ST. ALBERT	11.8230	8.2160	1.44
BEAUMONT	9.6858	6.9184	1.40
STONY PLAIN	8.1564	6.4768	1.26
LEDUC	9.3800	7.5520	1.24
MORINVILLE	8.7665	7.9696	1.10
Average			1.45

The following account grouping detail outlines which accounts are consolidated into our budgeted revenue and expense categories.

REVENUES	
Net taxation	Municipal Taxes, School & Senior's Requisitions paid
Utility Revenue	Water, Sanitary, Waste Management & Storm Water Levies
Gov't Transfers	Federal & Provincial Conditional grants
Penalties & Fines	Tax/Utility Penalties, Photo Enforcement/ Bylaw fines
Offsite Levies	Roads, Sanitary, Water & Storm water
Development Fees & Permits	Business Licenses, Building permits, Sub-division appeals, Lot grading
Rentals	Rental & Lease Revenue for all facilities
Investment Income	Returns on Investments
Sales & User Charges	RCMP Clearance revenue, Tax Certificates, Fire Billings, Curling Club Lease Revenue
Other Revenues	Developer contributions, cost recoveries, MCCC Ticket Sales, Donations, Admission Revenue, Sponsorship
Franchise Fees	Gas & Power Franchise Revenue

EXPENSES	
Salaries, Wages & Benefits	Salaries, Wages, Benefits, Training, Professional Development
Contracted & General	Mileage & Subsistence, Memberships, Contracted Services, Information Technology Costs, Repairs & Maintenance, Legal & Audit, Policing Contract
Materials, Goods & Supplies	Office Supplies, Postage, Telecommunications, Insurance, Land Title/Board Expenses, Advertising, Subscriptions/ Publications, Heat, Power, Fuel, Advertising/Promotion, OH&S Committee Expenses, Uniforms/ PPE, Gas & Diesel, Other Community Events, Licenses, Repairs & Maintenance, Public Relations
Other	Financial Service Charges, Bad debts, Grants to Organizations (Museum, Festival Society, Library), Instructor Fees, Program Supplies, Program Subsidies, Vacant Non-Residential Improvement Tax Grant, Misc . w/o, Sporting Events

Format and Structure Changes

Council has approved several small but impactful changes to the structure of the 2023 Operating Budget. These changes have been implemented to simplify the budget process and make the overall consolidated budget easier for all Town stakeholders to review and understand.

The changes are generally straightforward and focused on ensuring the total 2023 Consolidated Operating Budget balances to zero. In order to achieve this, two key elements have been added to the consolidated budget that were previously addressed with annual net revenue (surplus): debt principle payments and reserve transfers. As you will note, the budget no longer shows surpluses, it allocates any consolidated net revenue (revenue less expenses) first to the repayment of debt principal (interest is accounted for as an expense) and then to reserves balances.

Administration has gone back and recreated the 2020 – 2022 budget and actual figures in the same format to allow for direct comparison in the tables provided. The development of a consolidated budget that balances to zero was a recommendation of the 2021 management letter from the auditor. This format is intended to both address the auditor's concerns and transition organizational budgeting from the two-subsidiary philosophy (tax vs. utility) to a consolidated organizational view.

Individual tax and utility budgeting and accounting continue to provide valuable information and will remain with one significant change – clear line of sight on transfers from utility supported operations to tax-supported operations. The former budget practice involved recording tax-supported surpluses or deficits to associated tax supported reserves and utility surpluses or deficits to associated utility reserves with no inter-organizational transfers. While this approach continues to have merit, difficulties arise when both areas of operation are not in a balanced position. Since the introduction of the Morinville Leisure Centre and the substantial operating costs it creates, the tax supported side of the organization has run annual operating deficits, meaning transfers to tax supported reserves have been negative. On the other side, utility supported operations have continued to produce positive net revenue allowing for positive transfers to utility reserves. The result of all this has been increasing negative balances in tax-supported reserves and strong positive balances to utility reserves. However, the true cash balance can be somewhat difficult to determine at face value as you must aggregate all reserve accounts, both positive and negative, to determine the actual cash balance the Town has at its disposal.

The new approach simplifies the budget and reserve accounting by focusing on balancing all operational expenses first, prior to any contributions to reserves. Currently, in order to present a balanced consolidated budget, transfers are required from utility supported to tax supported operations. The new approach uses utility supported net revenue to first balance tax supported operations, with any surplus first allocated to debt principle payments and then reserves. In this way, the only amounts allocated to reserves are the true organization-wide operational surpluses after all operational costs of the municipality have been accounted for. This format reduces confusion regarding deficits, eliminates negative contributions to reserves, and provides a clearer more accurate picture of reserve balances over the long term.

The Consolidated Operating Budget reflects revenues totaling \$25.8M which represents an increase of 6.7% increase over the 2022 approved budget. The increase is primarily associated with increased municipal property taxes, increased revenue from sales and user charges and increased utility revenue. Tax revenue increases are a combination of a tax rate increase of 3.5% for residential properties and 8.2% for non-residential properties as well as higher than anticipated assessment growth from both new builds and appreciation of existing properties. User fee revenue is anticipated to increase as a result of a full year of Town operations without any impact from COVID-19. Utility rates have increased slightly in order to keep pace with rising input costs.

The 2023 Budgeted Consolidated Expenses are approximately \$24.8M and have increased by 4.9% compared to the 2022 budget. The projected increase is once again largely driven by inflation, however the rate of increase for the Town has been kept under that of inflation through once again deferring any operational business cases and reducing some service levels. For 2023, Council has placed an emphasis on improving the position of the Town’s Capital Reserves and has dedicated an estimated \$440,978 to reserves.

Town of Morinville 2023 Consolidated Budget

	2020 Actual	2021 Forecast	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Revenue:							
Net Taxation	10,325,403	10,295,960	10,955,109	10,910,454	11,878,930	12,571,470	13,488,945
Franchise Fees	1,825,012	1,839,027	2,004,196	1,998,342	2,068,453	2,079,074	2,120,654
Sales to Other Governments	892,706	814,750	818,057	930,685	1,041,592	1,109,852	1,153,060
Government Transfers	901,772	1,272,413	1,189,199	1,517,684	1,577,355	1,628,960	1,683,662
Penalties & Fines	350,721	243,649	317,448	389,000	324,000	374,000	429,000
Development Fees & Permits	133,709	187,409	164,433	196,000	185,000	166,000	176,000
Rentals	130,834	176,071	296,959	348,804	341,835	323,028	327,549
Investment Income	45,754	43,292	108,098	75,000	50,000	53,000	56,180
Sales & User Charges	38,594	34,853	96,036	178,400	347,410	324,896	378,851
Other Revenues	856,221	290,051	570,115	461,267	334,433	213,970	210,440
Water, Wastewater & Solid Waste Fees	6,325,605	6,738,355	6,907,383	7,190,447	7,680,959	8,366,396	8,883,903
Total Revenue	21,826,331	21,935,830	23,427,032	24,196,083	25,829,967	27,210,646	28,908,244
Expense:							
Salaries, Wages & Benefits	9,580,749	9,924,532	9,858,933	11,051,610	11,526,114	11,988,675	12,175,083
Contracted & General Services	4,206,058	4,388,717	4,271,432	5,167,983	5,438,158	5,772,425	5,991,783
Materials Goods & Utilities	4,458,492	4,641,236	4,597,857	5,123,176	5,438,709	5,707,023	5,934,728
Interest on Long Term Debt	556,349	584,516	553,632	553,632	521,279	496,665	465,642
Purchases from Other Governments	987,996	1,116,665	1,152,925	1,176,310	1,192,058	1,223,832	1,260,547
Bank Charges & Short Term Interest	9,300	6,167	8,807	9,000	9,000	9,010	9,550
Other Expenses	394,270	267,660	250,862	(66,751)	19,244	31,832	29,720
- Morinville Community Library	493,276	442,707	531,655	531,655	559,096	564,033	580,954
- Morinville Historical Society	107,000	107,000	107,000	107,000	110,210	112,965	115,789
- Salary Attrition -included in other expenses				(405,000)	(350,000)	(350,000)	(350,000)
Total Expense	20,793,490	21,479,200	21,333,103	23,653,615	24,813,868	25,906,459	26,563,796
Net Total	1,032,841	456,630	2,093,929	542,468	1,016,099	1,304,187	2,344,448
Other Expenditures (Revenues):							
Debt Principal	887,955	1,039,574	1,071,701	1,071,701	1,035,753	1,065,894	1,096,928
Federal Capital Grants	(565,897)	(783,475)	(592,847)	(592,847)	(610,632)	(628,951)	(647,819)
Transfers to Reserves	710,784	200,531	1,615,075	63,614	440,978	867,244	1,895,339
Transfers to the Capital Budget					150,000		
Net Total	0	0	0	0	0	0	0

Impact on Operational Reserves

The following provides a detailed listing of the Town's reserve balances. Note that contributions to reserves for 2022 are based on the Council approved 2023 Capital Plan which utilizes the 2022 surplus to fund a majority of expected capital spending in 2023. Total 2022 contributions to reserves are estimated based on available information at the time of publishing this budget document but will be updated and confirmed following the 2022 audit.

Please note that the format of the reserve schedule has not yet be amended to align with the budget format amendments as the reserve policy has not yet been brought before Council for review. It is anticipated that the reserve schedule will be redesigned to focus on alignment with a consolidated budget approach for 2023.

	2022 Forecast	2023 Budget	2024 Budget	2025 Budget
Tax Stabilization Reserve				
Estimated Surplus (Deficit)	1,076,666	-	-	-
Other Estimated Reserve/Forecast Adjustments	-	-	-	-
Other Revenue	-	-	-	-
Final Surplus (Deficit)	1,076,666	-	-	-
Impact on Tax Stabilization Reserve				
Cumulative Balance	-1,917,432	-840,766	-840,766	-840,766
Year over Year Change	1,076,666	-	-	-
Tax Stabilization Reserve Projection	-840,766	-840,766	-840,766	-840,766
Other Operating Reserves				
Utility Stabilization	673,836	768,095	836,639	888,390
Safety Initiative Reserve	166,449	166,449	166,449	166,449
Operating Program - Snow Removal	20,059	40,059	60,059	80,059
Total Other Operating Reserves	860,344	974,603	1,063,147	1,134,898
Total - All Operating Reserves	19,578			
Debenture Payment - Principal	-1,124,493	-1,035,753	-1,065,894	-1,096,928
Total - All Operating Reserves (including LT Debt Principal)	-1,104,915	-1,035,753	-1,065,894	-1,096,928

Morinville follows the Public Sector Accounting Board practices for amortizing capital assets. While this is a budget item, amortization is a non-cash expenditure. Through the development of the Capital Plan, Administration has determined the value of capital assets and the life of these assets. Amortization expenses do affect the annual surplus (deficit) and it is not charged to the operating accumulated surplus (deficit), but rather is charged to equity in fixed assets. The estimated amortization for 2023 is \$7,091,365.

Depreciation Budget 2023-2025

Amount Description	2023	2024	2025
394000 - Depreciation Expense - Admin	276,255	281,780	287,416
394001 - Depreciation Expense - Fire Dept.	161,963	165,203	168,507
394002 - Depreciation Expense - Enforcement	23,066	23,528	23,998
394003 - Depreciation Expense - Programming	1,126	1,149	1,172
394005 - Depreciation Expense - Open Spaces	521,362	531,790	542,425
394009 - Depreciation Expense - Public Works	175,172	178,675	182,249
394010 - Depreciation Expense - Roads	3,172,770	3,236,225	3,300,949
394011 - Depreciation Expense - Bus	12,204	12,448	12,697
394012 - Depreciation Expense - Storm	572,597	584,049	595,730
394017 - Depreciation Expense - Ambulance	37,234	37,979	38,738
394018 - Depreciation Expense - CCC	358,893	366,071	373,393
394013 - Depreciation Expense - Water	531,990	542,630	553,483
394014 - Depreciation Expense - Sanitary	490,094	499,896	509,894
394015 - Depreciation Expense - MLC	756,638	771,770	787,206
Total Depreciation Expense	7,091,365	7,233,193	7,377,857

Appendix | Organizational Staffing Overview



Permanent
Casual

As of January 2023

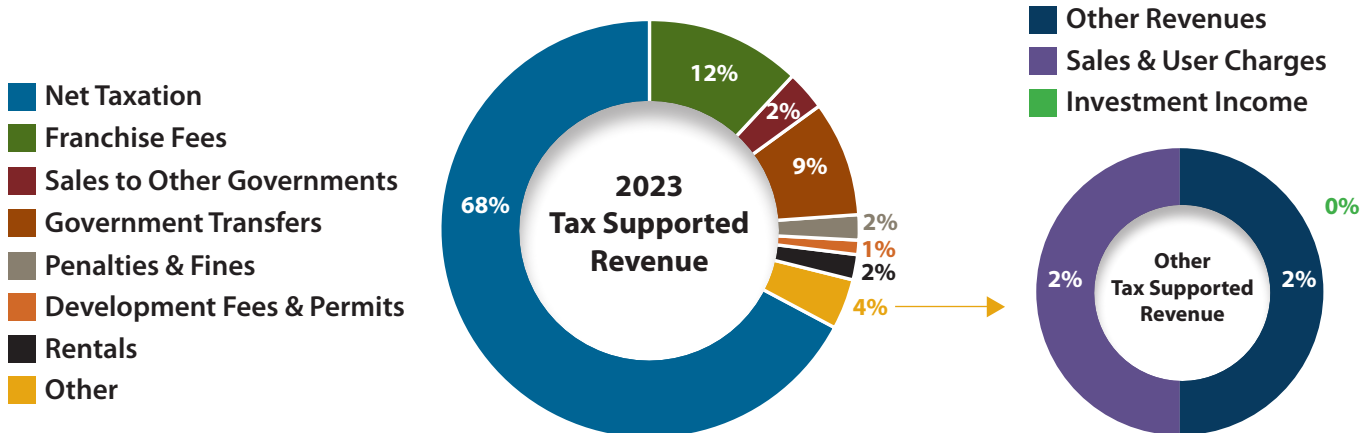
Tax supported expenditures have increased 3.8% for 2023, driven primarily by inflation. As discussed in the budget overview, net new spending included in the 2023 tax supported budget includes \$100K for increased snow clearing, the addition of 1.4 clerical positions and an increase in contracted services for the provision of GIS services. Increases to salaries wages and benefits are driven by increases to payroll taxes, cost of benefits and additional training to meet professional and regulatory standards.

Revenues have increased 6.1% prior to the inclusion of transfers from utilities, largely due to tax rate increases and strong residential assessment growth. Revenues are also expected to increase from franchise fees, government transfers and user fees (primarily from increased use of the Morinville Leisure Centre). Revenues from penalties and fines, sales to other governments and development fees and permits are expected to decline based on identified trends and policy changes.

The biggest change to the Tax Supported budget for 2023 is the inclusion of a transfer from utility operations of \$1,534,911. This is the amount required to balance the tax supported budget, without this transfer tax supported operations will remain in a deficit position. Council and Administration’s goal is to continually work toward the elimination of this deficit and the reliance on Utility Supported net revenue to support the Tax Supported Budget.

Town of Morinville 2023 Tax Supported

	2020 Actual	2021 Actual	2022 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Revenue							
Net Taxation	10,325,403	10,295,960	10,955,109	10,910,454	11,878,930	12,571,470	13,488,945
Franchise Fees	1,825,012	1,839,027	2,004,196	1,998,342	2,068,453	2,079,074	2,120,654
Sales to Other Governments	351,478	247,770	316,679	446,765	427,510	458,925	463,078
Government Transfers	901,772	1,272,413	1,189,199	1,517,684	1,577,355	1,628,960	1,683,662
Penalties & Fines	334,398	218,217	291,947	365,000	300,000	350,000	405,000
Development Fees & Permits	133,709	187,409	164,433	196,000	185,000	142,000	152,000
Rentals	130,834	176,071	296,959	348,804	341,835	323,028	327,549
Investment Income	45,754	43,292	108,098	75,000	50,000	53,000	56,180
Sales & User Charges	38,594	34,853	96,036	178,400	347,410	324,896	378,851
Offsite Levies							
Other Revenues	856,221	290,051	567,275	461,267	334,433	213,970	210,440
Tranfers from Utilities					1,534,911	1,894,292	1,237,130
Total Revenue	14,943,175	14,605,063	15,989,930	16,497,716	19,045,837	20,039,615	20,523,489
Expense							
Salaries, Wages & Benefits and Training	8,440,045	8,880,800	8,888,496	9,955,395	10,222,389	10,663,450	10,836,537
Contracted & General Services	3,515,141	3,516,422	3,452,532	4,292,353	4,496,232	4,775,352	4,933,938
Materials Goods & Utilities	2,824,387	2,647,918	2,713,822	2,970,710	3,113,387	3,391,308	3,556,359
Interest on Long Term Debt	538,752	584,518	549,493	553,632	521,279	496,665	465,642
Bank Charges & Short Term Interest	13,798	6,167	6,763	9,000	9,000	9,010	9,550
Other Expenses	401,749	265,198	242,316	(66,751)	14,244	26,832	24,720
Morinville Community Library	480,020	442,707	531,655	531,655	559,096	564,033	580,954
Morinville Historical Society	106,000	107,000	107,000	107,000	110,210	112,965	115,789
Salary Attrition (included in other expenses)				(405,000)	(350,000)	(350,000)	(350,000)
Total Expense	16,319,892	16,450,730	16,492,077	18,352,994	19,045,837	20,039,615	20,523,489
Net Total	(1,376,717)	(1,845,667)	(502,148)	(1,855,278)	0	0	0
Less Interest on MLC Debenture					624,672	508,438	484,014



Municipal Service Levels

Alberta municipalities deliver necessary and desirable services for all residents.

Municipal Councils are empowered to consider a broad spectrum of services, and the level of service may evolve with a Municipality's needs.

Council's role in this process is to decide what services are needed, what level they need to be delivered and what methods of delivery best fit the needs of the community.

Service delivery is often the largest component of a municipality's budget which is primarily delivered through internal resources. Councils decide, by resolution or bylaw, what services will be delivered and how they will be

delivered. Service delivery may be affected by regulatory requirements or other Legislation, such as the FCSS Act, Library Act, Police Act, Public Lands Act, the Environmental Protection and Enhancement Act, agreements and provincial and federal laws.

Mandatory Services are either legislated or dictated by an approved Bylaw. Discretionary Services are all other municipal services as determined by Council.

Municipal Governments provide services, facilities and amenities that enhance their communities. They also strive to develop communities that are safe, healthy and viable for its residents.

Based on (s) 207 of the *Municipal Government Act, RSA 2000, Chapter M-26*, the Chief Administrative Officer (CAO) is responsible for the following:

- a) is the administrative head of the municipality;
- b) ensures that the policies and programs of the municipality are implemented;
- c) advises and informs the council on the operation and affairs of the municipality;
- d) performs the duties and functions and exercises the powers assigned to a chief administrative officer by this and other enactments or assigned by council.



- Facilitation of Governance
- Overall Strategic Management
- Executive Leadership
- Stewardship of the Corporate Vision, Mission & Goals
- Intergovernmental Relations
- Strategic Advice and Support to Council
- Service Area/Delivery Management
- Organizational Business Planning & Budget Alignment
- Community Engagement
- Intermunicipal Collaboration
- Regional Initiatives

Office of CAO Budget Comparison

	2023 Budget	2022 Budget	Change	% Change
Expenditures				
Council	500,462	464,576	35,886	7.17%
Office of CAO	489,410	473,320	16,090	3.40%
	989,872	937,896	51,976	5.54%
Total	(989,872)	(937,896)	(51,976)	5.54%

The Office of the CAO Division oversees the overall organizational administration and includes Council.

Summary Council

	2020 Actual	2021 Actual	2022 Budget	2023 Budget	2024 Budget	2025 Budget	\$ Change 2022/2023	% Change 2022/2023
Expenditures								
Salaries, Wages & Benefits	377,770	368,560	398,576	418,057	418,897	419,685	19,481	5%
Contracted & General Services	6,696	7,640	32,800	33,784	34,800	35,835	984	3%
Materials, Goods & Utilities	3,848	27,715	33,200	34,121	35,038	31,032	921	3%
Other Expenses				14,500				
Total Expense	388,314	403,915	464,576	500,462	488,735	486,552	35,886	7.72%
Net Total	(388,314)	(403,915)	(464,576)	(500,462)	(488,735)	(486,552)	(35,886)	

Summary Office of CAO

	2020 Actual	2021 Actual	2022 Budget	2023 Budget	2024 Budget	2025 Budget	\$ Change 2022/2023	% Change 2022/2023
Expenditures								
Salaries, Wages & Benefits	744,831	945,397	334,820	359,805	365,916	373,768	24,985	7%
Contracted & General Services	236,473	298,055	120,000	118,060	130,308	134,126	(1,940)	-2%
Materials, Goods & Utilities	44,138	101,660	1,500	6,545	6,591	6,639	5,045	336%
Other Expenses	13,820	15,306	17,000	5,000	18,035	18,576	(12,000)	-71%
Total Expense	1,039,262	1,360,418	473,320	489,410	520,850	533,109	16,090	3%
Net Total	(1,039,262)	(1,360,418)	(473,320)	(489,410)	(520,850)	(533,109)	(16,090)	

The Office of CAO Division is comprised of 2 FTE's and is responsible for a large area of mandatory services including overall service delivery management, stewardship of the corporate vision, mission and goals, strategic direction and leadership.

Community & Infrastructure Services responds to the needs of residents and community members by providing high quality, supportive and responsive services. Key services provided by the division are illustrated below.



Community Services - How We Serve Citizens

Family and Community Support Services - responsible for development, planning, promoting and facilitation of preventative social initiatives, services, programs and events. Provides support and referral services that address physical, emotional and mental wellbeing. Responsible for the coordination of funding requests and outcome measures evaluations.

Events & Culture - responsible to develop, implement, manage, support and evaluate initiatives related to culture programs, and special events by direct delivery or through community partnerships. Supports the activities through Culture expression and direct engagement.

Community Recreation - responsible for providing support to create and maintain healthy and self-sustaining community groups that provide recreation, sport, and leisure services opportunities for the community, through organizational development, capital projects, project support, information and referral and community group partner agreements.

Fitness & Wellness - responsible for planning, coordination, supervision and delivery of all fitness/wellness and sport/recreation programs and services offered at the Morinville Leisure Centre.

Guest Services – responsible for front line service delivery through CSR's for both the MCCC and MLC as well as processing all financial transactions. All Town facilities and amenities are booked through the Bookings Clerk in Guest Services.

Operations – responsible for all day to day operations and custodial functions for both the MCCC and MLC. The operations staff make sure the facilities are clean and maintained so the community and staff can safely use the facilities. The operations staff also provide support for events.

Community Services Department Budget Comparisons

	2022 Budget	2023 Budget	\$Change	% Change
Revenue				
Community Engagement	96,800	86,967	(9,833)	-10.16%
Morinville Leisure Centre	1,435,318	1,481,763	46,445	3.24%
FCSS	316,622	316,622	-	0.00%
MCCC	97,000	66,985	(30,015)	-30.94%
Culture Events	12,000	12,000	-	0.00%
Community Recreation	20,320	21,010	690	3.40%
	1,978,060	1,985,347	7,287	0.37%
Expenditures				
Community Services Admin	1,029,635	1,018,999	(10,636)	-1.03%
Morinville Leisure Centre	2,133,348	1,884,520	1,142	0.05%
FCSS	420,000	414,652	(5,348)	-1.27%
MCCC	815,188	719,204	(95,984)	-11.77%
Culture Events Programming	244,087	273,608	29,521	12.09%
Community Recreation	155,978	176,326	20,348	13.05%
	4,798,236	4,487,309	(310,927)	-6.48%
Total	(2,820,176)	(2,501,962)	318,214	

Infrastructure Services - How We Serve Citizens

Parks – Staff are responsible for parks and open spaces to ensure they are properly maintained and safe for use by residents throughout the year. Areas of responsibility include parks, grass cutting, flower maintenance, trails, and waste management. In winter, clear snow and ice off trails, walkways, and in front own town-owned buildings. Staff also setup and maintain the outdoor ice rinks.

Roads - Responsible for the repair and maintenance of the Town of Morinville’s hard surface infrastructure including, roadways including alleys, sidewalks, trails, traffic signs and traffic signals.

Utilities - Responsible for the safe and sustainable operation of the Town of Morinville’s utilities including water mains, sanitary sewers, and storm collection. Conducts inspections, repairs and regular maintenance ensuring critical infrastructure and services remain available.

Facility Maintenance – Responsible for the upkeep of Town facilities, ensuring they remain open and usable for public and Town employees. Staff also maintain the building envelopes and mechanical systems including the roofing, HVAC, plumbing, fire suppression, and regular maintenance items.

Capital Projects - Responsible for coordinating the Town of Morinville’s Infrastructure capital projects including transportation, utility, or open space projects. Ensures projects meet the business case requirements and are aligned with strategic priorities – such as budget, scope and timelines.

Infrastructure Services Department Budget Comparisons

	2022 Budget	2023 Budget	\$Change	% Change
Revenue				
Storm sewers	470,895	689,940	219,045	46.52%
Water	4,068,146	4,243,643	175,497	4.31%
Sanitary Sewage	2,369,977	2,450,871	80,894	3.41%
Solid Waste Management	789,348	934,586	145,238	18.40%
	7,698,366	8,319,040	620,674	8.06%
Expenditures				
Ray MacDonald Sports Centre	3,913	0	(3,913)	-100.00%
Open Spaces	884,393	1,010,920	126,527	14.31%
Public Works	1,166,992	1,203,496	36,504	3.13%
Roads	1,882,790	2,127,668	244,878	13.01%
Storm Sewers	268,647	296,237	27,590	10.27%
Water	2,404,952	2,727,570	322,618	13.41%
Sanitary Sewage	1,863,292	1,932,206	68,914	3.70%
Solid Waste Management	768,730	812,018	43,288	5.63%
	9,243,709	10,110,115	866,406	9.37%
Total	(1,545,343)	(1,791,075)	(245,732)	

Community Safety - How We Serve Citizens

Morinville Fire Department - provides fire rescue services to Morinville and Sturgeon County residents, and Alexander First Nation.

Enforcement Services - oversees enforcement of municipal bylaws, automated traffic enforcement (in coordination with the RCMP), community education programing, event support and pest and weed control management.

Emergency Management - provides oversight and support during emergencies and disasters.

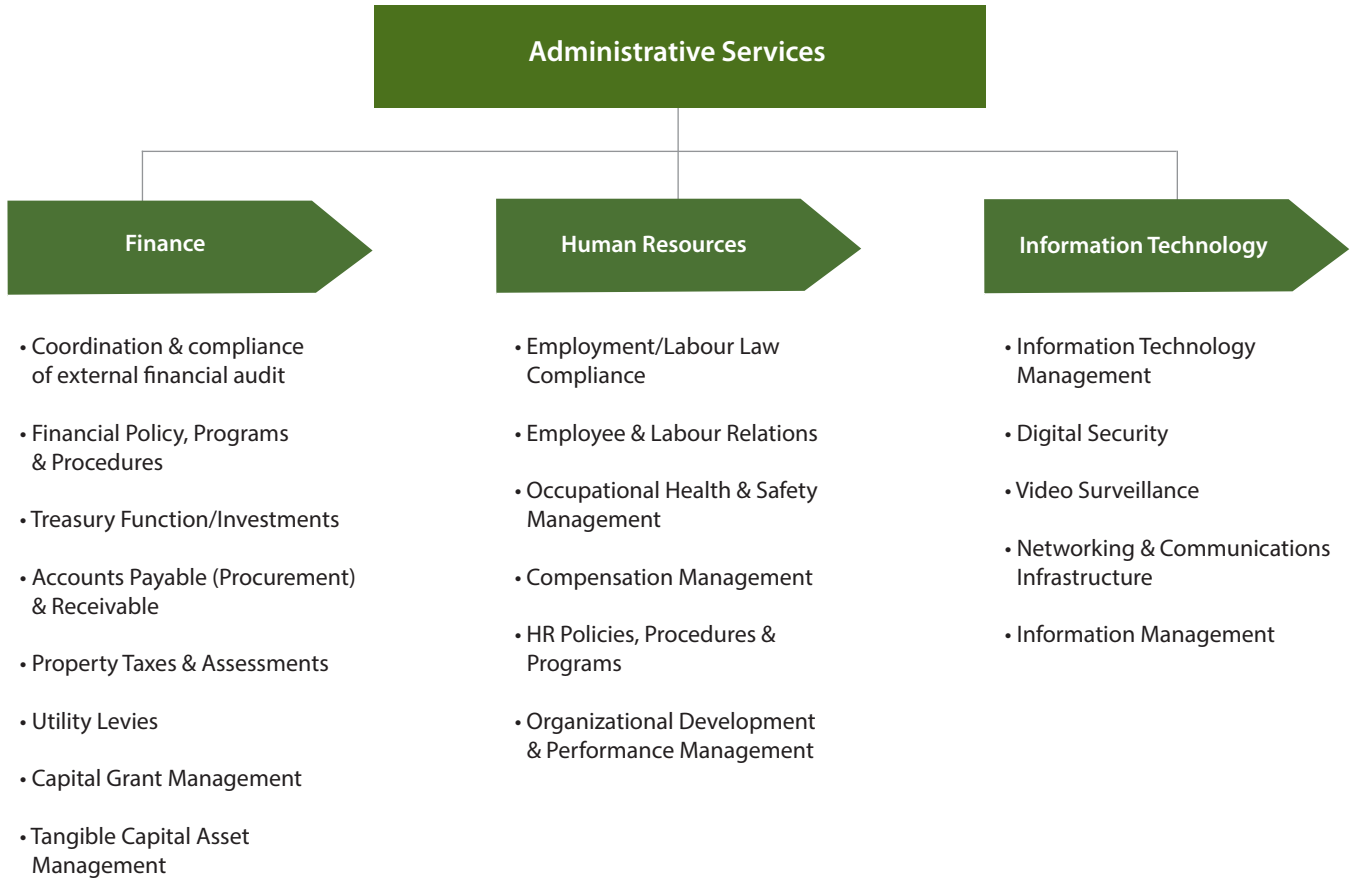
Community Safety Department Budget Comparisons

	2022 Budget	2023 Budget	\$Change	% Change
Revenue				
Emergency Management	22,784	23,209	425	1.87%
Police	665,444	665,444	0	0.00%
Fire department	222,255	203,000	(19,255)	-8.66%
Enforcement Services	232,500	168,500	(64,000)	-27.53%
	1,142,983	1,060,153	(82,830)	-7.25%
Expenditures				
Emergency Management	109,528	115,881	6,353	5.80%
Police	2,312,269	2,231,045	(81,224)	-3.51%
Fire department	993,851	1,149,551	155,700	15.67%
Enforcement Services	567,284	603,500	36,216	6.38%
	3,982,932	4,099,977	117,045	2.94%
Total	(2,839,949)	(3,039,824)	199,875	

The Community Safety Department consists of 10.5 FTE's as well as 45 Paid On Call Firefighters to provide Enforcement and Fire service delivery as well as Emergency & Disaster Service management.

Administrative Services Division Overview

Administrative Services responds to the needs of our internal and external clients by providing high quality, supportive and responsive services. Key services provided by the division are illustrated below.



Administrative Services Division Overview



Human Resources - How We Serve the Organization

Human Resources plays a dual role organizationally as both an advisor to the leadership team and an employee advocate. This department is responsible for several areas, including:

- Employee & Labour Relations
- Occupational Health and Safety (OH & S)
- Organizational Development, Performance & Effectiveness
- Workforce Planning & Recruitment
- Learning & Development
- Total Compensation & Rewards
- Payroll & Benefit Administration

Human Resources Department Budget Comparisons

	2022 Budget	2023 Budget	\$Change	% Change
Revenue				
OH & S	8,000	8,000	0	0.00%
HR	-	-	0	0.00%
Pay & Benefits	-	-	0	0.00%
	8,000	8,000	0	100.00%
Expenditures				
OH & S	163,853	204,475	40,622	25.24%
Human Resources	571,948	707,700	135,752	24.16%
Pay & Benefits	223,321	301,782	78,461	35.60%
	959,122	1,213,957	254,835	26.57%
Total	(951,122)	(1,205,957)	(254,835)	26.79%

The Human Resources Department consists of 6.5 equivalent FTE's.

Financial Services - How We Serve Citizens and Organizations

- Revenue collection (taxes, utilities, A/R)
- Customer service
- Assessment oversight
- Budgeting
- Treasury Management
- Financial Policy Development
- Long-Term Financial Planning
- Financial Statements and Reporting

Finance Department Budget Comparisons

	2022 Budget	2023 Budget	\$Change	% Change
Revenue				
General Government Services	13,108,796	13,848,646	739,850	5.64%
Financial Services	64,167	73,333	9,166	14.28%
	13,172,963	13,921,979	749,016	5.69%
Expenditures				
General Government Services	(361,814)	(320,880)	40,934	-11.31%
Financial Services	908,905	828,677	(80,228)	-8.83%
	547,091	507,797	(39,294)	-7.18%
Total	12,625,872	13,414,182	788,310	6.24%

Financial Services consists of 5.6 FTE’s who oversee the Finance functions for the organization.

Information Technology - How We Serve the Organization

- Information Technology Management
- Digital Security
- Information Management
- Network and Communications Infrastructure

Information Technology Department Budget Comparisons

	2022 Budget	2023 Budget	\$Change	% Change
Revenue				
Information Technology	-	-	0	
	-	-	0	
Expenditures				
Information Technology	1,128,605	1,309,759	181,154	10.02%
	1,129,577	1,309,759	181,154	
Total	(1,129,577)	(1,309,759)	(181,154)	

Planning & Economic Development - How We Serve the Organization

- Statutory Land Use Plans & Policies
- Land Use Bylaw
- Long Range and Current Planning
- Support for Regional Economic Development Initiatives
- Business Licensing
- Building & Safety Codes
- Permits
- Business Attraction, Retention & Expansion

Planning and Economic Development Department Budget Comparisons

	2022 Budget	2023 Budget	\$Change	% Change
Revenue				
Economic Development	55,000	55,000	0	0.00%
Planning & Development	134,710	176,960	42,250	31.36%
	189,710	231,960	42,250	22.27%
Expenditures				
Economic Development	514,026	348,650	(165,376)	-32.17%
Planning & Development	524,766	456,844	(67,922)	-12.94%
	1,038,792	805,494	(233,298)	22.46%
Total	(849,082)	(573,534)	275,548	

Communications & Legislative Services - How We Serve Citizens and the Organization

- Corporate Communications
- Council Communications
- Corporate Sponsorships & Community Partnerships
- Legislative Matters and Governance Support
- Elections & Census
- Historical Records Management
- Access to Information and Protection of Privacy
- Front Line Customer Services at Town Hall

Communications and Legislative Services Department Budget Comparison

	2022 Budget	2023 Budget	Change	% Change
Revenue				
Communications		23,750	23,750	100%
Information Management	6,000	6,000	0	0%
	6,000	29,750	23,750	396%
Expenditures				
Communications	552,528	684,653	132,125	24%
Admin Support Services	147,699	302,498	154,799	105%
Information Management	191,057	192,820	1,763	1%
Legislative Services	125,949	109,617	(16,332)	-13%
	1,017,233	1,289,588	272,355	
Total	(1,011,233)	(1,259,838)	(248,605)	

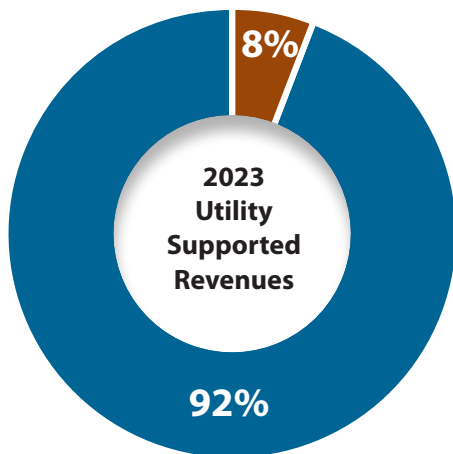
Utility Supported

Prior to the inclusion of the transfer to tax supported operations utility expenses are budgeted to increase by 8.7%. These increases are primarily driven by inflation and an increase to both the cost of water and the costs of treating wastewater. As with tax support operations, increases to salaries wages and benefits are driven by increases to payroll taxes, cost of benefits and additional training to meet professional and regulatory standards. Net new spending for 2023 is limited to the Utilities Master Plan update, which is estimated to cost \$120,000.

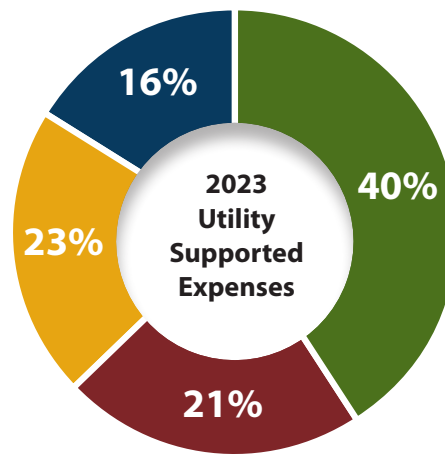
As noted in the utility cost overview, utility rates were increased to keep pace with rising costs. Overall utility revenues are anticipated to increase 8.1%. Net revenues prior to transfers to tax supported operations are anticipated to be approximately \$2.5 million, however after the transfer is accounted for that amount is reduced to \$744,689.

Town of Morinville 2023 Utility Supported

	2020 Actual	2021 Actual	2022 Forecast	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Revenue							
Water, Wastewater & Solid Waste Fees	6,325,605	6,738,355	6,907,383	7,190,447	7,680,959	8,366,396	8,883,903
Sales to Other Governments	541,229	566,980	501,378	483,920	614,082	650,927	689,982
Penalties & Fines	16,323	25,433	25,501	24,000	24,000	24,000	24,000
Total Revenue	6,883,157	7,330,768	7,434,261	7,698,367	8,319,041	9,041,323	9,597,885
Expense							
Salaries, Wages, Benefits & Training	1,031,803	1,043,732	970,438	1,096,215	1,301,170	1,325,224	1,338,545
Contracted & General Services	915,046	872,295	818,899	875,630	941,926	997,073	1,057,845
Materials Goods & Utilities	1,782,571	1,993,318	1,884,035	2,152,466	2,325,322	2,315,715	2,378,370
Purchases from Other Governments	987,996	1,116,665	1,152,925	1,176,310	1,192,058	1,223,832	1,260,547
Other Expenses	3,681	2,463	10,589	5,000	5,000	5,000	5,000
Transfer to Tax Supported	0	0	0	0	1,808,648	1,894,292	1,237,130
Total Expense	4,721,097	5,028,473	4,836,886	5,305,621	7,574,124	7,761,137	7,277,438
Net Total	2,162,060	2,302,295	2,597,375	2,392,746	744,917	1,280,186	2,320,447



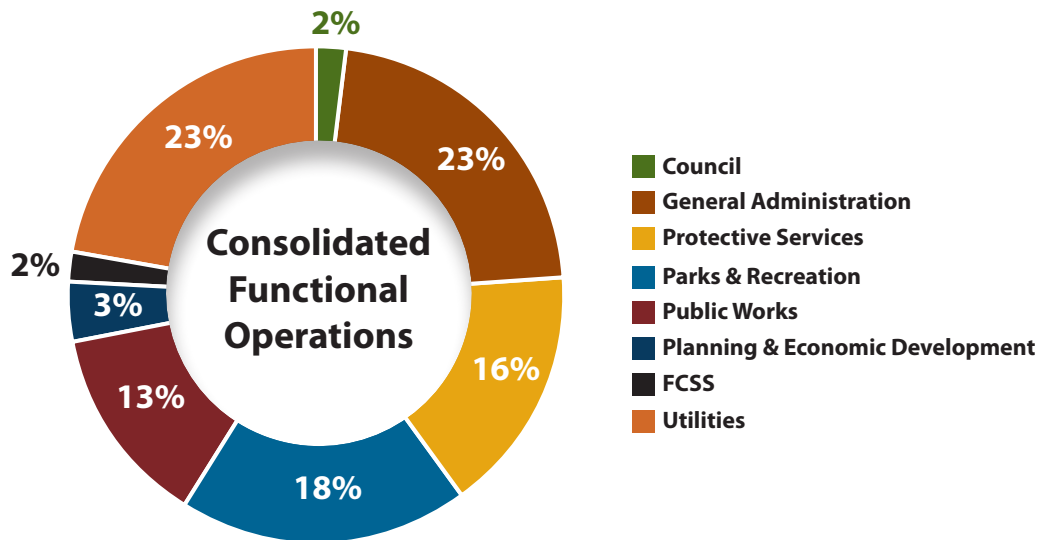
- Water, Wastewater & Solid Waste Fees
- Sales to Other Governments
- Penalties & Fines (0%)



- Materials Goods & Utilities
- Purchases from Other Governments
- Other Expenses (0%)
- Salaries, Wages & Benefits
- Contracted & General Services

Town of Morinville 2023 Consolidated Tax & Utility Supported

	Council	General Administration	Protective Services	Parks & Recreation	Public Works	Planning & Development	FCSS	Utilities	Total Town
Revenue									
Net Taxation		11,878,930							11,878,930
Water, Wastewater & Solid Waste Fees								7,680,959	7,680,959
Franchise Fees		2,068,453							2,068,453
Sales to Other Governments		8,000	409,300	952,089		10,210		614,082	1,993,681
Government Transfers			379,144				246,122		625,266
Penalties & Fines		125,000	175,000					24,000	324,000
Development Fees & Permits			18,000	271,391		167,000			456,391
Rentals		70,444							70,444
Investment Income		50,000		234,660					284,660
Sales & User Charges		20,000	40,000	143,600		750	52,000		256,350
Other Revenues		102,833	15,500		0	54,000	18,500		190,833
Total Revenue	-	14,323,660	1,036,944	1,601,740	-	231,960	316,622	8,319,040	25,829,966
Expense									
Salaries, Wages & Benefits	418,057	3,733,972	1,769,592	2,065,691	1,291,081	648,094	295,902	1,303,725	11,526,114
Contracted & General Services	33,784	1,467,668	1,983,156	237,529	639,545	66,400	68,150	941,926	5,438,158
Materials Goods & Utilities	34,121	728,482	206,867	706,579	1,397,338	20,000	20,000	2,325,322	5,438,709
Purchases from Other Governments								1,192,058	1,192,058
Interest on Long Term Debt		24,120		497,159					521,279
Bank Charges & Short Term Interest		8,500					500		9,000
Other Expenses	14,500	(317,145)	24,480	857,415	3,200	71,000	30,100	5,000	688,550
Total Expense	500,462	5,645,597	3,984,095	4,364,373	3,331,164	805,494	414,652	5,768,031	24,813,865
Net Total	(500,462)	8,678,063	(2,947,151)	(2,762,633)	(3,331,164)	(573,534)	(98,030)	2,551,010	1,016,100





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