Village of Rycroft
Request for Decision

Council Meeting Date: December 17, 2024

TOPIC: 2025 to 2027 Operating Budget and 2025 to 2029 Capital Budget

RECOMMENDED ACTION:

1. That Council approve the updated 2025 to 2027 Operating budget as presented.
2. That Council approve the updated 2025 to 2029 Capital budget as presented.

BACKGROUND: As Council has scheduled the annual Strategic Planning Meeting for October 17, after Council discussion and consideration if any changes are required, they can be amended at the December 17 Regular Meeting of Council.

Council reviews and updates the next years' provisional operating budgets and capital budgets at the end of the year. This preliminary direction is given with consideration to service levels after Council has had a strategic planning meeting to provide direction to Administration. The final budget will be presented to Council in April, once requisition levels are formalized, and Council has all information to set a tax rate.

Last year Council raised the residential tax rate 3% and the Non-Residential Tax rate 3%. Prior to that, in 2023 Council had a 5% increase on the residential tax rate and 3% on the Non-Residential Tax rate. Prior to that Council had held a 0% increase from 2018 to 2022. Council should always consider an increase, as history has shown those municipalities that do not raise their rates by 1-2% annually eventually end up one year having to place a large likely double digit increase on the residents and businesses to catch up. Inflationary costs of operation are consistently rising as materials, supplies, and services cost more every year. For this approval, Council should focus on service level, revenues and expenditures. Tax rates will be determined in the Spring.

Highlights of the budget include:

OPERATING REVENUES:

- The Local Government Fiscal Framework Act establishes a framework for providing infrastructure funding to all Alberta municipalities began in 2024/25. With funding levels for 2025 anticipated to be $64,946.
- The Local Improvement Tax revenue for the Southeast Road paving will be ~$43,000
- Utility Franchise Fees and bank interest projections have been adjusted accordingly
- Truck Fill revenues have been reduced back to 2023 levels.
- Arena revenue from Pickleball users has been maintained at 2024 levels - $3,500/year
- Total Equalized Assessment has had little change or effect on the revenues
- Water, sewer, and solid waste revenues remain at cost recovery

- Per the Regional Development Initiative Agreement with Saddle Hills County $750,000 to be received in 2025.
- Total Revenues are budgeted at $3,013,050 (2024 was $2,962,312)

OPERATING EXPENSES:

- Council Remuneration was to remain at $35,000; equivalent to 2024.
- Council Memberships and Contingency to remain at 2024 levels.
- Road maintenance including gravel purchases have been reduced to $50,000 to be more reflective of recent village paving and reduced need for gravel.
- The arena operating grant is budgeted at $20,000.
- Other minor juggling of spending amounts have been made to the budget to be more reflective of actual working of our operation
- Police funding increased to ($34,179) for 2025
- No Cost-of-Living Allowance increase for 2025 as Council approved fully funding healthcare for administration, equivalent to a 2% increase.
- Total Expenses budgeted at $2,221,950 (2024 was $2,137,012)

CAPITAL BUDGET:

- $120,000 for a new 5500 or 6500 Fleet Work Truck and sander
- $45,000 to replace the front doors on the Administration Building with handicap accessible access (dependant on matching grant)
- $300,000 to re-line the 51-street water main from 48 to 49 avenue
- Internal lobby and locker-room Arena Upgrades $100,000
- Street Sweeper $90.000

POLICY AND/OR LEGISLATIVE IMPLICATIONS: Council must adopt an operating budget for each calendar year by January 1 of that calendar year (*MGA s 242*).
Council must adopt a capital budget for each calendar year by January 1 of that calendar year (*MGA s. 245*).

ALTERNATIVE OPTIONS:

1. Council could suggest other changes to the budgets.

ATTACHMENTS:

1. 2025 to 2027 Operating Budget
2. 2025 to 2029 Capital Budget

Kevin Keller — December 17, 2024

Chief Administrative Officer — **Date**