



TOWN OF
SLAVE LAKE

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Investing in our
COMMUNITY
Investing in our
RESIDENTS

2020 Town of Slave Lake Budget

Town of Slave Lake, AB
2020
**Operating & Capital
Budget**



The proposed budget reflects the priorities of the community, decisions of council, delivers on current services and addresses resource needs for growth areas.

“Slave Lake is committed to building opportunities by growing business, industry and population, while promoting ourselves and our exceptional quality of life.”

Message from the Mayor



Tyler Warman
Mayor
Tyler@slavelake.ca

Budget 2020 was officially passed by Council on January 21, 2020, and I am excited to show you how things ended up.

First off, we are always up against inflation (this year it is projected to be just under 3%), and this year, while budget consultations were starting, we received news that there was going to be some downloading from the provincial government, which left us wondering how we were going to fund the budget with the least impact to you the tax payer.

Council knows we have to keep things running, keep things moving ahead and show value to our rate payers. Council also has a strong desire to support and grow the economy, support business, grow industry and generally put some more confidence in the work place. As a result this year, the Town of Slave Lake will invest \$250,000 into Economic Development. Additionally we intend to invest 13.7 Million dollars in projects, which will put more money into our parks, start some initial upgrades to the pool, invest in the Multi-Rec Centre, purchase a new Zamboni, replace aging equipment for snow removal, improve water quality and invest in a project to do a better job looking after our waste.

We will also continue fixing roads, continue with our goal to clean up old run-down buildings, make some repairs to some of our other municipal buildings and most importantly maintain service levels. While we invest in our community, Council will continue to advocate for better healthcare, and more tools to help combat crime reduction.

Now, the biggest question you must have is what is this going to cost you. I'll let you know the increase in budget approved was 1.5%. When we started this year budget consultations we were looking at an increase of up to 5%. So how did we lower that to 1.5%? First we asked administration to bring us a 0% increase which helped as a starting point. Council also looked at our reserves, and said if there was ever a time to use our reserves it would be now. We also used the remaining unspent Economic Development funds from 2019. We also looked at our franchise fees that had not been touched since 2010. Additionally we made some staff reductions and also decided to manage some projects and pieces ourselves instead of farming them out. It will be more work, but in the long game it will save the town some money.

I want to thank our staff for carrying the burden of asking them to do more. I also want to thank my council for putting in the time to get us to this point and having the vision to want to do more for this Region.

If you want more details, they are provided in the following pages and we look forward to your thoughts and ideas that will continue to make Slave Lake a great place to visit, live and do business!

Mayor Tyler Warman



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Budget at a Glance

Town of Slave Lake Operating Budget

The proposed 2020 Budget reflects the cost of maintaining Slave Lake's core services, programs and infrastructure that citizens rely on every day, as well as new initiatives and improvements to current programs that will advance Council's strategic vision. New budget initiatives focus around expanding economic development for the Town and an increase in training. Inflation, RCMP and utility increases remain constant challenges the Town faces. The funding strategy for 2020 will include a 1% increase in franchise fees and the use of reserve funding to keep the tax increase below inflation at 1.5%.

	2019 Approved Budget	2020 Approved Budget	Net Change \$	Net Change %
Revenues	\$23,314,297	\$23,530,846	\$216,549	0.9%
Expenditures and Transfers	\$23,314,297	\$23,530,846	\$216,549	0.9%
Net Operating Budget				
**Does not include Amortization, and provincial requisitions.				
*Includes Principal Debt Payments				

Town of Slave Lake Capital Budget

The 2020 Capital Budget includes both new multi-year capital project budget requests and the 2020 Annual Expenditure Budget. A major new project for the year will be roads located in Glory Land. One of the only unpaved portions of residential neighborhoods in Slave Lake will see the remaining gravel surfaces paved in 2020. The Raw Water Line project with a budget of \$18 million and the Sewage Lagoon Project with a budget of \$14-million are set to be completed in 2020. These represent 2 of the largest water and sewer projects the Town has undertaken in well over a decade. Additional new projects include upgrades and enhancements to our parks and pool facilities, a new zamboni machine for the arena, demolition of the old day care building and many other projects. See the Capital budget section for more details and projects.

	2019 Approved Budget	2020 Approved Budget	Net Change \$	Net Change %
New Capital Project Budget	\$1,225,671	\$4,032,540	\$2,806,869	229%
Capital Expenditure Budget	\$22,734,877	\$9,717,186	-\$13,017,691	-57%



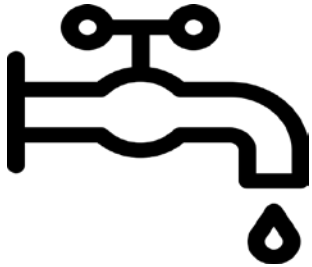
TOWN OF
SLAVE LAKE

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Town of
SLAVE LAKE
Community
STATISTICS

2020 Town of Slave Lake Budget

2019 Community Statistics



Water & Sanitary Lines

59.51 KMS of water lines maintained in the Town.

10.52 KMS of stormwater lines maintained in the Town.

51.87 KMS of sanitary lines maintained in the Town.



Recycling

76.26 TONNES of recycling pick up in 2019.



Fire Services

443 CALLS responded to by the Fire Department.



Bylaw Enforcement

808 INCIDENTS responded to by 2 peace officers.

536 TICKETS Issued by Enforcement Services.

41 DOGS looked after at the Slave Lake Pound.

922 TICKETS issued by Photo Radar in 2019.

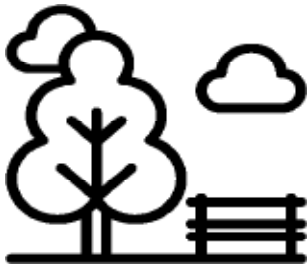
2019 Community Statistics



Planning and Development

102 PERMITS requested by citizens in 2019.

22 SPECIAL EVENT PERMITS applied for in 2019.



Community Services

76.93 HECTARES of park space maintained in 2019.

9105 DROP INS at the Multi-Rec Centre.



Legacy Centre

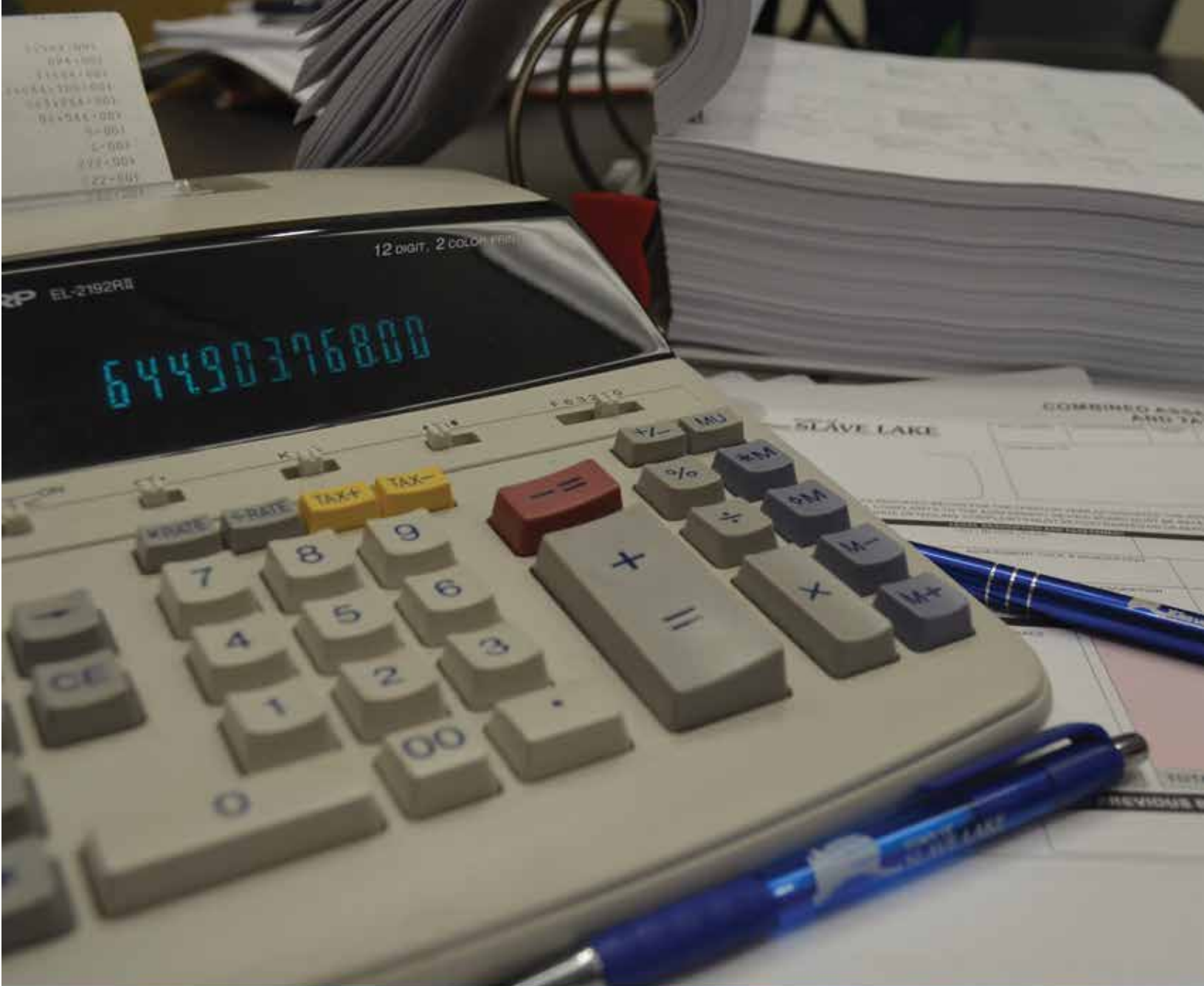
78 EVENTS held at the Legacy Centre.



Business Licences

441 LICENCES issued for in town businesses.

28 LICENCES issued for out of town businesses.



TOWN OF
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Town of
SLAVE LAKE
Budget
BASICS

2020 Town of Slave Lake Budget

Introduction

WHAT EXACTLY IS A BUDGET? The budget is the Town's plan and priorities expressed in dollars and cents.

WHAT IS THE DIFFERENCE BETWEEN OPERATING AND CAPITAL BUDGETS?

OPERATING BUDGET: The operating budget covers the daily expenses of delivering municipal services, such as fire protection, snow removal, park maintenance, RCMP, and library services to name a few. Operation is supported by taxes and commercial revenue such as the lease for the provincial government building. Utilities and cemeteries are funded separately through their fees.

CAPITAL BUDGET: The capital budget covers constructing new assets and rebuilding assets. These assets include roads, water and sewer, equipment, and town facilities.

Assessment

MARKET VALUE ASSESSMENT: The budget process determines how much tax income is required. The assessment process helps to fairly distribute the annual municipal taxes. A market value based assessment does **NOT** necessarily identify a property's individual sale price or potential sale price. It attempts to provide a "fair actual" or average value based on several factors including similar properties which have sold.

Your Tax Bill

The Town does not generate higher property tax revenue as a result of rising property values, as the total tax levy to be collected is determined by Slave Lake Town Council as part of the annual budget. To establish the Town's tax rates, Slave Lake Town Council divides the tax levy by the assessment base provided by KCL Assessment. Under this approach, property tax increases are driven by the Town's funding requirement to support the annual budget, not by rising property values.

Other Taxing Authorities: Approximately one third of the property taxes paid by Slave Lake taxpayers goes to the provincial government and regional taxing authorities to fund housing and schools. Slave Lake Council has no control over how much other taxing authorities charge or how they distribute those levies across the region.



TOWN OF
SLAVE LAKE

20 20 | Town of **SLAVE LAKE** Operating **BUDGET**

2020 Town of Slave Lake Budget

Introduction

The impact in costs covered by taxation have risen approximately \$240,000. In order to keep tax increases at a minimum a combination of taxes, franchise fee increases and the use of reserves will fund the 2020 operating budget. A tax increase of 1.5% will be required. An increase to the Atco Electric and Gas franchise fees has been included at a rate increase of 1%. The remaining revenue will be covered from operating reserves. Overall we have maintained service levels, tackled inflation, invested in the future of our business community and faced funding challenges from the province all while keeping our tax increase at a reasonable 1.5% increase.

Council and administration have worked hard to reduce costs and cut spending wherever possible. However, they have also considered what residents want and expect for municipal services. The 2020 budget reflects a number of continuous improvement efforts, including reductions through-out the organization and also increased revenue opportunities.

The budget supports many important services and projects including economic development, snow removal, sewer maintenance, fire protection, bylaw enforcement, road maintenance and repairs, parks, recreation, culture and leisure services and youth and older adult programming.

Some key initiatives ahead include: economic development, investment in town infrastructure such as roads. This budget will allow us to deliver the important day-to-day services our residents have come to expect, along with key Town initiatives to support sustainability and growth in our community.

Operating Budget Overview

\$23.5 **MILLION**
TOWN OPERATING BUDGET

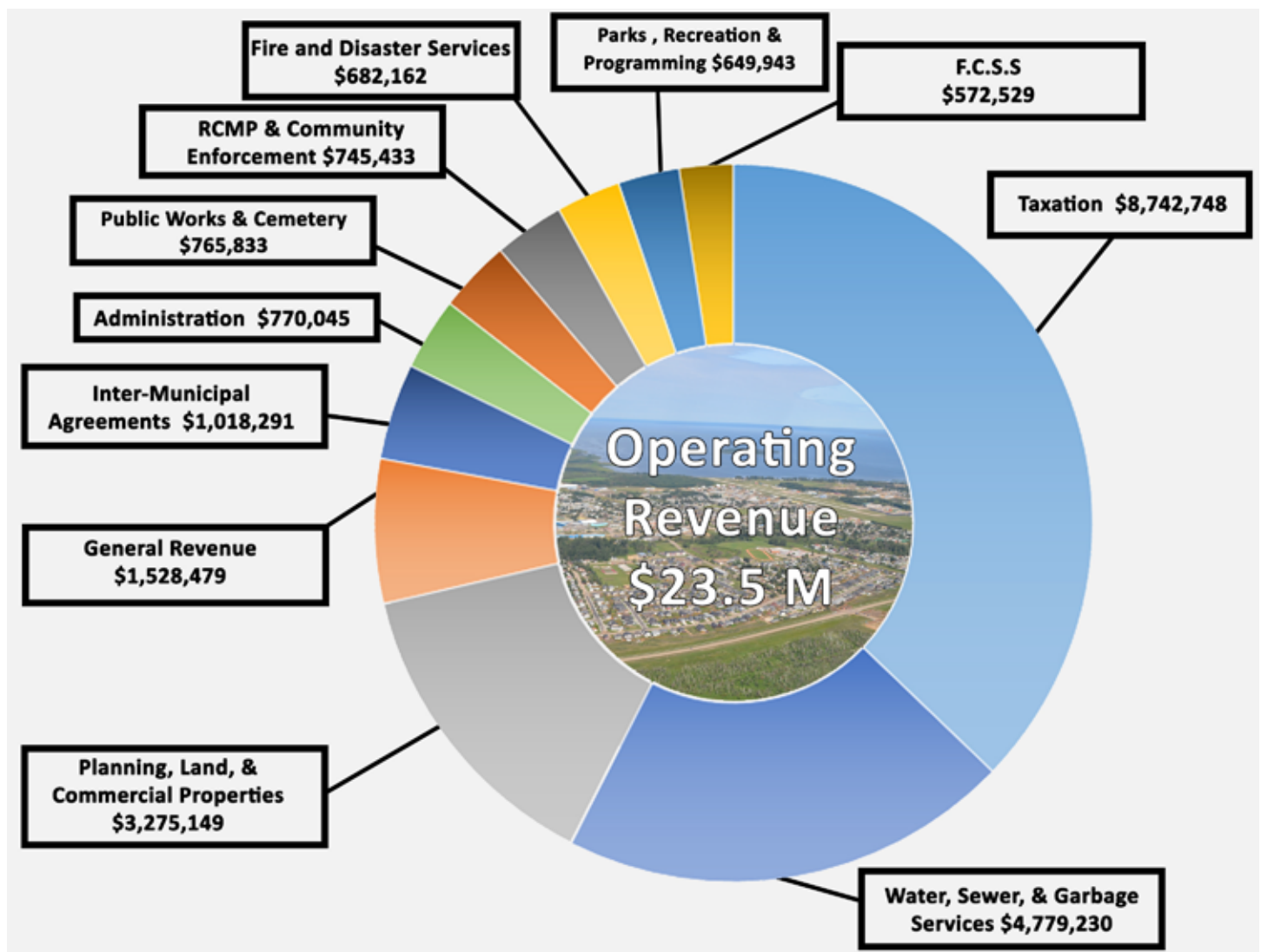
When crafting the 2020 Operating Budget, Administration and Council kept in mind the Vision of Slave Lake.

“Slave Lake is committed to building opportunities by growing business, industry and population, while promoting ourselves and our exceptional quality of life.”

The proposed 2020 Budget reflects the cost of maintaining Slave Lake’s core services, programs and infrastructure that citizens rely on every day, as well as new initiatives and improvements to current programs that will advance Council’s strategic vision.

Sources of Revenue

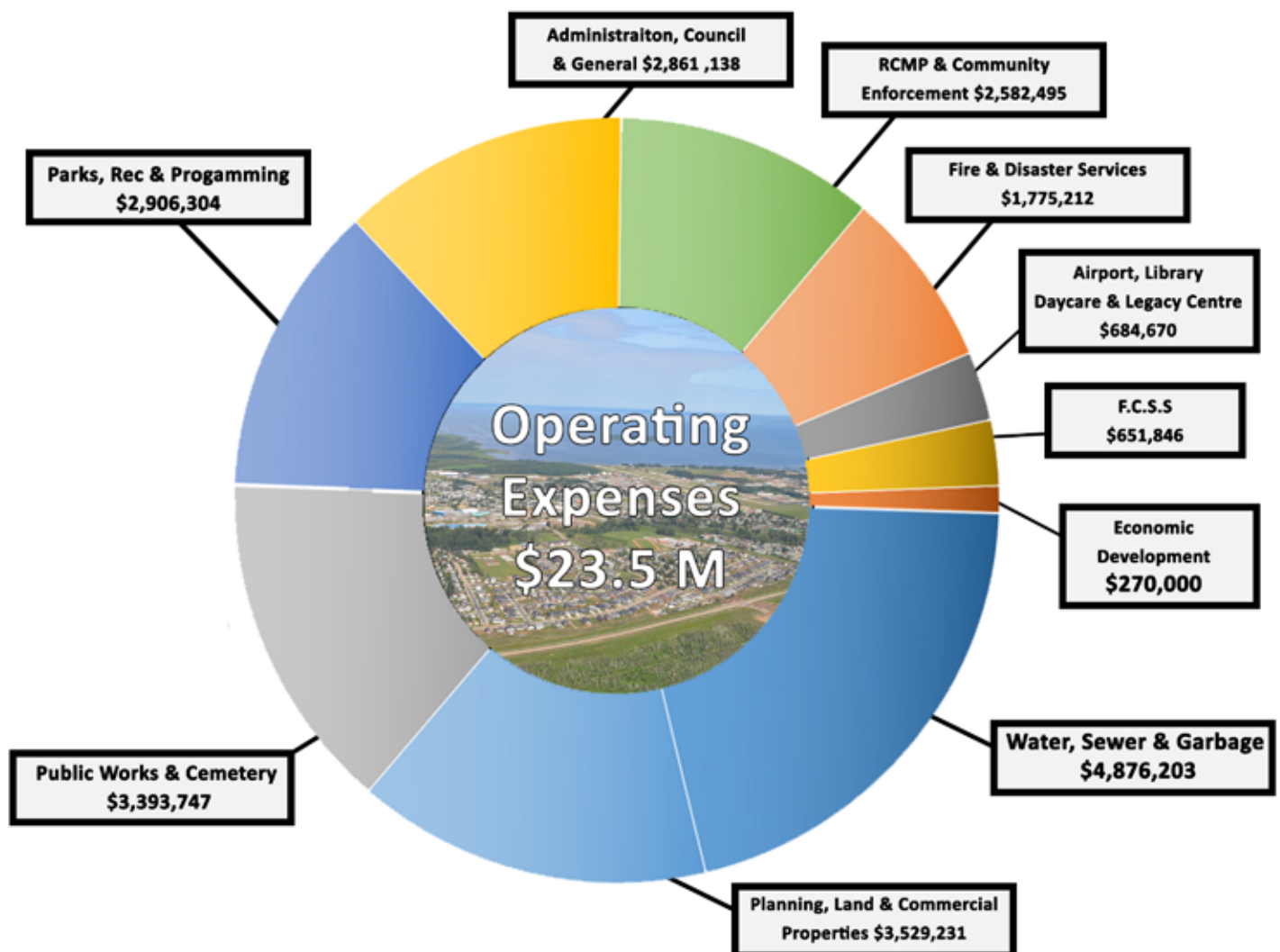
The services provided by the Town of Slave Lake are funded primarily by property taxes, user fees and Provincial rent. Property taxes and utility fees collected from homeowners and businesses are the source of approximately half of the Town's budgeted operating revenues. The balance is derived from non-utilities fees and other revenues. User fees include fees licences (business licences, franchise fees etc.) and permits (development, building, etc.) as well as fees from Town-run recreation programs (swimming pools, ice rinks, running track, etc.). Development-related fees and contributions, along with contributions from Provincial and Federal levels of government and Municipal District of Lesser Slave River, are also essential for delivering public amenities and funding facilities and infrastructure, which are needed to maintain services.



Note that this does not include Provincial requisitions

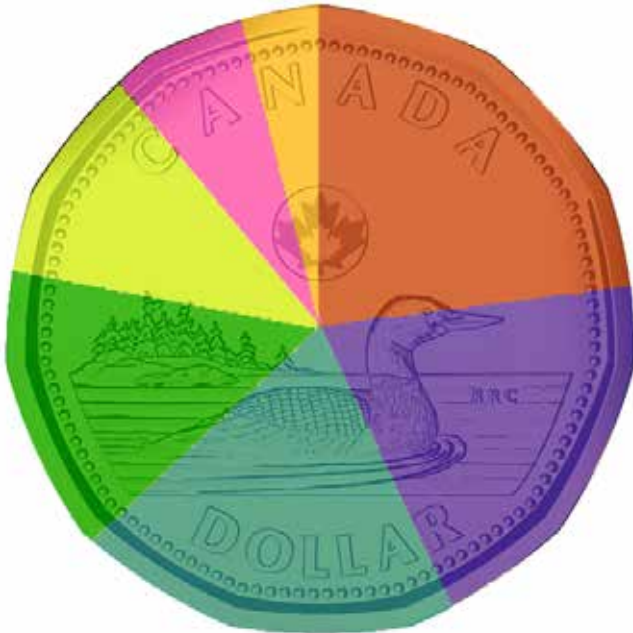
Where does the funding go?

Utilities are funded primarily from utility rates, which are set to recover the cost of providing services to rate-payers. Utility expense represent 21% of the operating expenditures. Planning, Land and Commercial properties account for 15%. Expenses budgeted under Commercial properties represent the Provincial government center. These costs are recovered by rental and lease income from the province. Excluding utilities and the government center, the 2020 budget, supported by taxes and other revenue is \$15.1 million. Debt payments consist of 2 components. A principal portion and an interest portion. The total payment over the life of the debenture remains constant. For budgetary and financial statement presentations, the debenture interest portion is expensed and the principal reduction portion is applied against the balance of the loan. The budget numbers presented here include the total payment, both principal and interest.



Note that this does not include amortization

What does \$1 of taxes buy?



\$0.23	Fire, RCMP & Protective Services
\$0.20	Planning & Economic Development & Commercial Properties
\$0.20	Parks, Recreation, & Community Services
\$0.15	Administration, Legislative & General Services
\$0.11	Operations Services (Roads, Snow Clearing)
\$0.07	Reserve Transfers
\$0.04	Airport, Library Services & Wildfire Legacy
\$1.00	

Estimated Residential Property Tax Impact

RESIDENTIAL PROPERTY ASSESSED VALUE	Estimated 2020 TAXES	Estimated Yearly Increase/Decrease	Estimated Monthly Increase/Decrease
\$220,000	\$1,970	\$35	\$3
\$320,000	\$2,733	\$49	\$4
\$420,000	\$3,666	\$65	\$5
\$520,000	\$4,563	\$82	\$7



TOWN OF
SLAVE LAKE

2020 Town of **SLAVE LAKE** Capital **BUDGET**

2020 Town of Slave Lake Budget

Introduction

\$13.7 MILLION
TOWN CAPITAL BUDGET

Council approved a total of 28 projects estimated at \$13.7 Million.

There were 23 new capital projects proposed with 5 being rejected. Included in the 2020 Capital Budget are 18 new projects and 10 projects that have been carried forward or are underway.

Capital projects are considered on both an annual basis and a total project basis (Multi-Year). For 2020, a total funding request of \$3.8 million is being funded on a Multi-Year basis for new capital projects and programs. This includes the water treatment plant office and lift station D. It is anticipated that \$900 thousand of this funding will be spent in 2020. Examples of ongoing annual capital expenditures include sewer main reconstruction, street paving, and vehicle and equipment replacements.

Funding Comes From

FUNDING SOURCES	
Reserves	\$4,427,632
TOSL External Sources	\$500,000
Municipal District of Lesser Slave River Contributions	\$35,075
Town of Slave Lake Rates and Fees (Debentures)	\$3,276,554
Town of Slave Lake	\$8,239,261
Alberta Provincial Grants	\$2,000,000
Alberta Municipal Sustainability Initiative	\$2,815,750
Alberta Federal Gas Tax Fund	\$694,715
Province of Alberta	\$5,510,465
Total Funding for Capital Projects in 2020	\$13,749,726

New Projects in 2020:

Lift Station D

\$2,575,000

This project will extend over multiple years. \$400,000 is slated to be spent in 2020. This involves design, engineering and possible land acquisition. The project will be to replace the existing Lift Station D with a new structure and may also be in a new location.



Gloryland Roads

\$2,190,000 *(Estimated)*

One of the only unpaved portions of residential neighborhoods in Slave Lake will see the remaining gravel surfaces paved in 2020. The existing gravel road structure is deteriorating at a rapid pace. The rebuilding of the gravel surface will bring the road in-line with current Town standards.



Highway 88 Crossing

\$200,000

A connection between the trail and crosswalk over Hwy 88 (Caribou Trail), on both sides of the highway. Located adjacent to the Sawridge Truck Stop. This project will see the Town and Alberta Transportation coordinate to install a crosswalk on either side of the highway. Initial design looks at revised trails on the west side to connect to existing trail that runs north and south, and a connecting trail on the east side.



Daycare Demolition

\$200,000

The purpose of this project is to demolish the Daycare building as the hazardous material assessment completed in 2016 proved that the vermiculite insulation in the exterior block walls and few areas of the drywall/floor were contaminated with asbestos along with other hazardous materials. The project scope included abatement of the hazardous material and safely demolishing the non-functional building allowing for future developments. The project is currently progressing and is anticipated to complete just before the end of January 2020.



Zamboni

\$186,000

10 years old and thousands of ice users serviced. The 2020 Budget will invest in a new Zamboni for the Multi Rec Centre. A critical piece of equipment needed to keep our ice surfaces clean and safe. Whether in the Pembina or Trevita arena this new Zamboni will ensure that our ice users have a smooth skating surface and the community has a place to enjoy Canada's national hobbies.



Hilda Eben Park Upgrade

\$121,735

Many of the smaller items in the park are aging and require replacement. The Tennis courts have seen a great volume of traffic and require a resurfacing. Benches are being replaced, signage updating, and some hockey rink board replacement. Also being looked at is the possibility of adding walking paths to the area to further enhance accessibility. These touch ups to the park will ensure it keeps on servicing the needs of the community.



Poplar Grove Park Upgrade

\$104,300

Keep the kids moving! Poplar Grove park will see the installation of new playground equipment. In addition to new equipment, the park will undergo landscaping to remove old stumpage, level the surface and install a border around the playground. This continues the investment in our parks and in our children.



Flood Pump

\$95,000

2019 saw the purchase of one Flood pump. Budget 2020 is looking to add one additional pump. The pumps operate in a multitude of settings. Their main use has been to mitigate flooding during rain events that pose a threat to resident's homes and critical infrastructure such as the hospital. Traditionally the town has contracted out pump trucks during these events to help avoid flooding. They are quick to deploy and handle large volumes of water. They will be an additional tool in part of our flood mitigation strategy.



Steamer

\$76,750

After 17 years with the current steamer, the 2020 budget will invest in a new steamer unit for the Town of Slave Lake. This will help our road crews tackle the spring thaw, ensure overland flooding doesn't take place along our streets and in our ditches.



Ammonia Ventilation

\$51,000

This has to do with the ice plant at the MRC. Improved ammonia ventilation will help reduce risk of any leakage impacting the public and staff.



Old Shop Building Conversion

\$10,000

Gutting the inside of the old shop to remove old office space and allow additional equipment to be stored inside. This will utilize the building to keep our equipment better protected from the elements.



Aquatic Centre Lockers and Toliets

\$25,000

The 2020 Budget will invest in upgrading the Northern Lights Aquatic Centre's Lockers and Washrooms in both the male and female change rooms.

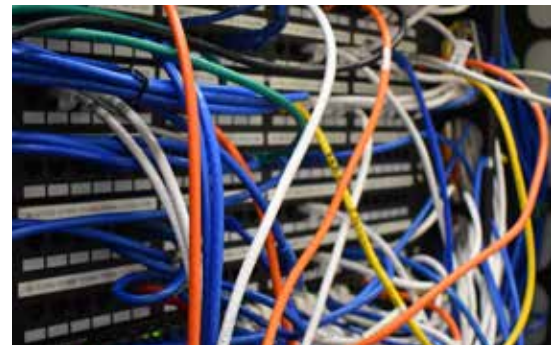
This will benefit users of the aquatic centre for years to come.



Network Switches

\$21,000

One of the smaller projects for 2020 replacing our current network switches will help keep the Town's internal network up and running.



Projects Underway:

Sewage Lagoon Upgrade

\$14,144,836

This project is ongoing since 2018, the layout and construction of the main component of this project are SAGR (Submerged Attached Growth Reactor) cells which are clean stone bed extending below the surface of the ground and are fully aerated to provide oxygen to the microorganism to assist with the nitrification process efficiently in a colder environment. This upgrade will further make our wastewater effluent discharging into the Sawridge Creek to comply with stringent environmental limits. The scope also included a few other modifications to the existing lagoon cells. Currently, cell#1 of the lagoon is undergoing desludging followed by commissioning of the new system. The completion of this project is expected in 2020.



Hilltop Reservoir Piping Replacement

\$1,680,000

This is a carryforward project from 2018. Some funding was expensed in 2019. The purpose of this project is to carry out upgrades and repairs to the existing 50-year-old reservoir tank and the valve house. This project was undertaken when the assessment performed in 2018 on the existing structure reported poor condition. The project will upgrade the process mechanical systems and electrical systems along with few repairs to the reservoir building. The project will start in spring 2020 and is expected to finish within 3 months from the starting date.



Water Treatment Plant Office

\$1,300,000

A 30 year old building that has concerns over serviceability and functionality. This a carryover project from 2019. This will be a multi-year project with only \$400,000 of the estimated total cost \$1,300,000 to be spent on this project this year. The new office building will efficiently bridge the daily operations with the existing water treatment plant.



Government Center Roof Repairs

\$725,000

In 2019 an assessment was done on the roof of the Town office and Government center building. The roof requires substantial resurfacing. This will be mainly covered by the Province.





TOWN OF
SLAVE LAKE

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Town of
SLAVE LAKE
5 year Capital Plan
FORECAST

2020 Town of Slave Lake Budget



Introduction

The Town owns approximately \$150 million worth of infrastructure and public amenities, encompassing underground water and sewer infrastructure; roadways, walkways; community facilities, parks and open spaces; public safety facilities; and service yards.

The need to renew, upgrade and expand infrastructure and public amenities to support residents and businesses is significant and growing. Asset renewal is an investment in the future and an important factor in achieving good value for money by maintaining and, where possible, extending the operational lifespan of the Town's assets.

The Town's capital planning framework consists of a 10-year Capital Strategic Outlook, a five-year Capital Plan, and an Annual Capital Budget and Five-Year Financial Plan.

10-Year Capital Strategic Outlook:

The Town plans capital investments beginning with a 10-year strategic outlook. The 10-year outlook is updated every four years; it was most recently refreshed as an input to the 2021-2025 Capital Plan, which was approved by Council in 2019. Based on the 10-year outlook, a five-year Capital Plan is developed. The five-year Capital Plan then forms the basis for the one-year Capital Budget, which is developed annually.

Having a 10-year strategic framework significantly enhances the Town's ability to achieve value for money, as it creates the opportunity to leverage partnership opportunities that support Town infrastructure requirements. This can include working with other levels of government and other partners.

2021-2025 Forecast

Asset Group	2020 Budget	2021	2022	2023	2024	2025
Buildings	\$1097,025	\$495,900	\$285,082	\$32,40	\$10,000	\$10,000
Machinery & Equipment	\$778,312	\$586,900	\$302,000	\$409,000	\$1,371,500	\$324,500
Sidewalk & Trails	\$200,000	-	-	\$350,000	-	-
Utilities	\$9,233,624	\$3,600,00	\$95,000	\$655,000	-	\$590,000
Vehicles	-	\$103,170	\$433,870	-	\$46,000	\$169,050
Roadway Infrastructure	\$2,190,000	\$154,500	\$3,806,700	\$971,000	\$1,078,000	\$974,000
Parks and Open Space	\$250,765	\$80,000	\$140,000	\$25,000	\$45,000	\$385,000
Total	\$13,749,726	\$4,984,470	\$5,062,652	\$2,442,400	\$2,550,500	\$2,452,550

Asset Groupings Not Used in Five-year Plan

Electronic Hardware/Software
Land Development



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Town of Slave Lake, Alberta
www.slavelake.ca



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