



Finance Committee Administrative Report

Title: 2010 BUDGET SUMMARY REPORT

Prepared By: Don Newlin

No. 111

Department: Finance

Date: April 19, 2010

Clearances:

Attachments: Budget Summary Report

Summary Of History/Discussion/Alternatives/Funding & Conclusion:

The attached budget summary reflects estimated revenues of \$62.6 million, estimated expenditures of \$52.7 million, with a projected surplus of \$9.9 million before capital expenditures. Major capital projects for 2010 will include a new police station, construction of the skatepark and parking and entrance improvements at Commonwealth Center, construction of a new entrance and a landfill transfer station, and a major addition at the sewage treatment plant. Capital Expenditures for Engineering and Transportation including carry-over projects total \$15.3 million, Utilities and Environment, \$19.2 million, Parks and Recreation, \$4.8 million, Fire, Police, Corporate affairs and Finance, \$11.4 million for a total of \$50.7 million.

Total assessment decreased by about 2% as a result of a drop in market values of certain properties. Individual homes decreased in value by 5% to 15% on average, while commercial and industrial improved properties showed an increase in value of 6% to 9%. Real assessment growth from properties constructed in 2009 is estimated at 1.5%. The 2010 municipal mill rate has been set at 3.52 mills to generate an additional \$500,000 or 3.6% additional revenue. This money will be used to cover the cost of two additional RCMP positions, operation of a second fire hall, increased operational cost of recreation facilities, and to maintain and repair our roadways throughout the city.

Water and Sewer rates are not sufficient to provide for annual depreciation costs and the replacement of aging water and sewer lines. Council has approved the first year of a proposed three year water and sewer rate plan to address this situation. Also, the current rate structure requires revision to encourage water conservation, and to reward consumers who implement conservation measures.

A report for sample properties showing the cumulative impact of proposed water and tax rates for 2010 through 2012 is attached. The balance of tax impact on each property will be the result of changes in the market value of the property between July 2008 and June 2011, which is reflected in the annual assessment value.

Recommendation: That Committee of the whole recommend to Council approval of the 2010 City Budget reflecting an estimated surplus of \$9.9 million dollars, before capital expenditures, and approve of the 2010 Capital Budget totalling \$50.7 million dollars including carry-over projects, subject to financing being in place for each project prior to tender award, construction, or purchase.

City Manager's Comments:

Approvals:

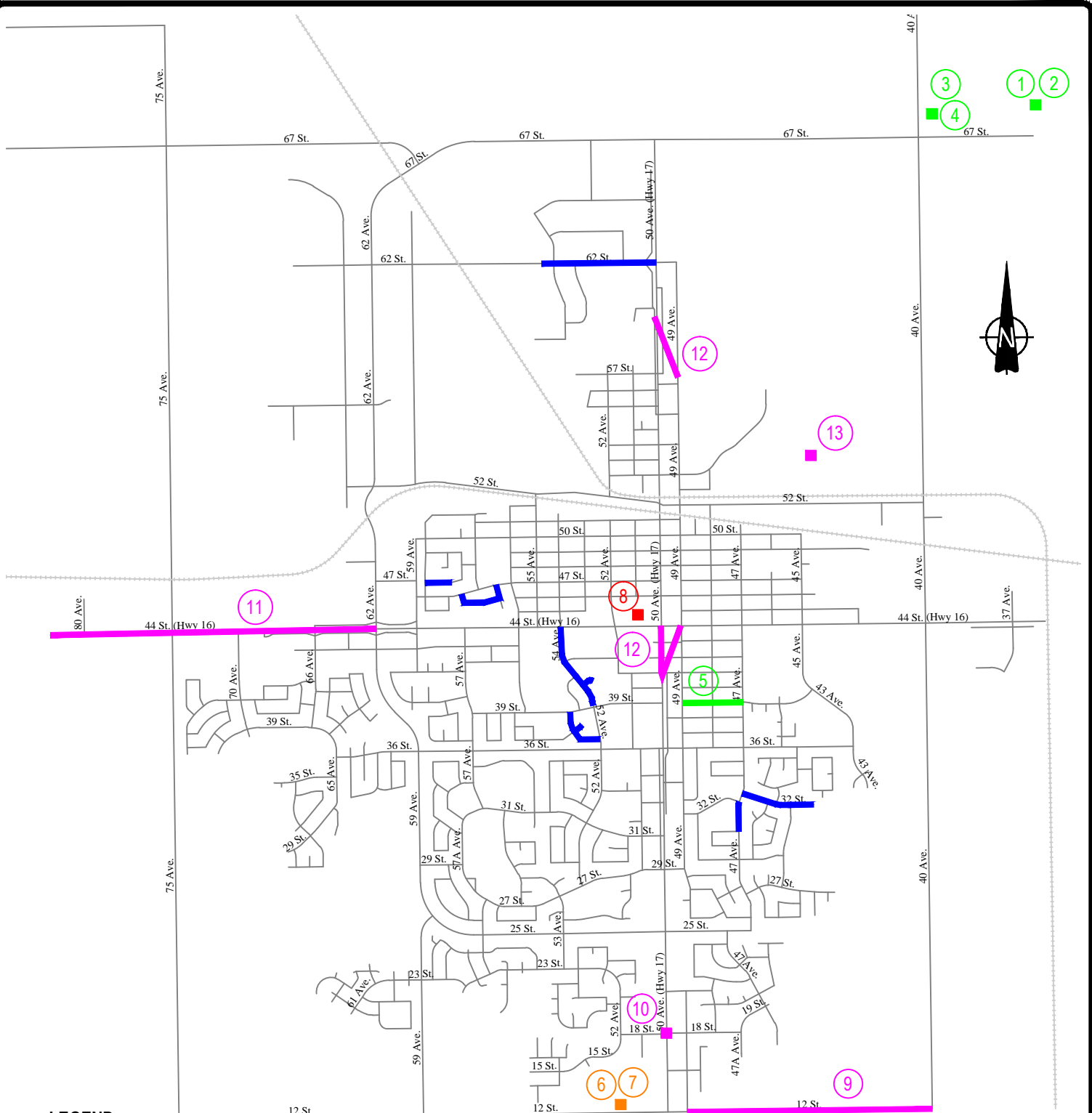
Department Head April 19, 2010 City Manager April 19, 2010

Committee Recommendation:

Action:

City of Lloydminster 2010 Budget Summary - 2010 04 16

	2010 Budget	2009 Budget		2009 Actual
<b>Revenue</b>				
Net Municipal Taxes	\$14,351,755.37	\$13,755,074.37	4%	13,898,724.12
User Fees and Sales of Goods	\$27,054,153.84	\$21,284,466.95	27%	16,364,312.16
Government Transfers	\$5,783,483.00	\$5,447,495.00	6%	13,577,958.16
Investment Income	\$122,150.00	\$240,150.00	-49%	524,518.25
Penalties and Costs of Taxes	\$1,379,500.00	\$1,141,169.00	21%	1,425,768.32
Development Levies	\$0.00	\$1,002,000.00	-100%	86,040.24
Licenses and Permits	\$4,003,058.89	\$3,131,872.58	28%	3,610,511.71
Proceeds Disp Cap Assets	\$1,000.00	\$1,000.00		2,478.00
Donations	\$50,000.00	\$100,000.00	-50%	448,285.30
Third Party Developer In-kind				3,070,757.00
Other	\$42,500.00	\$50,183.00	-15%	32,763.83
Inter Fund Transfer	\$9,800,470.49	\$4,203,189.24		0.00
<b>Total Revenues</b>	<b>\$62,588,071.59</b>	<b>\$50,356,600.14</b>	<b>24%</b>	<b>\$53,042,117.09</b>
<b>Expenses</b>				
Legislative	\$357,200.00	\$346,520.00	3%	336,749.63
Administrative	\$1,913,935.72	\$1,506,879.74	27%	1,598,817.03
Bylaw Enforcement	\$7,281,336.58	\$6,427,089.47	13%	7,028,927.95
Roads, Streets, Walks, Lighting	\$9,196,536.48	\$4,169,739.68	121%	7,346,591.01
Water Supply and Distribution	\$7,699,711.03	\$4,036,228.90	91%	7,287,911.02
Wastewater Treatment and Disposal	\$1,906,107.29	\$1,169,096.00	63%	1,652,068.36
Waste Management	\$2,280,806.19	\$2,001,803.00	14%	2,230,206.83
Family and Community Support	\$2,106,209.23	\$1,879,326.79	12%	1,940,055.05
Land Use Planning, Zoning	\$980,223.13	\$550,248.28	78%	457,990.60
Subdivision Land Development	\$320,000.00	\$1,229,100.00	-74%	584,789.07
Parks and Recreation	\$8,500,829.97	\$6,288,077.17	35%	8,569,958.46
Culture	\$1,357,898.00	\$1,319,853.49	3%	1,354,946.42
Amortization	\$0.00	\$9,469,147.88	-100%	0.00
Inter Fund Transfer	\$8,813,060.68	\$9,453,295.55		0.00
<b>Total Expenses</b>	<b>\$52,713,854.30</b>	<b>\$49,846,405.95</b>	<b>6%</b>	<b>40,389,011.43</b>
<b>Annual Surplus (Deficit)</b>	<b>\$9,874,217.29</b>	<b>\$510,194.19</b>	<b>1835%</b>	<b>12,653,105.66</b>



**LEGEND**

- 1. Headworks Construction
  - 2. SAGR Design
  - 3. Construction of Landfill Transfer Station & Entrance
  - 4. Expand existing Landfill Cell
  - 5. Water/Sewer replacement - 39 St from 47 to 49 Ave
  - 6. Skate Park
  - 7. Commonwealth Centre - parking & entrance improvements
  - 8. Police Station
  - 9. 12 St (40 - 49 Ave) Asphalt overlay
  - 10. 18 St & 50 Ave Traffic signals & Road widening
  - 11. 44 St Rehab tender/construction (62 Ave - west to city limits)
  - 12. Highway 17 Couplet Detailed Design
  - 13. Golf Course Drainage Upgrade Plan
- Lines in Blue are 2010 Street Improvement Program

The City of Lloydminster

Planning & Public Works



**2010 CAPITAL PROJECTS**

City of Lloydminster

Drawn by:	LL
Date:	Mar. 31, 2010
Drawing #:	-

**Impact of Proposed Water Rates on Various Properties**

Revised

4/13/2010 11:49

	Water/Sewer Charge 2009	Total Utilities 2009	Total Utilities 2010	Change 2010vs2009	Total Utilities 2011	Change 2011vs2009	Total Utilities 2012	Change 2012vs2009
<b>Small SK Residence (17 cu m)</b>	\$ 436.02	\$ 604.02	\$ 659.62	\$55.60	\$ 742.13	\$138.11	\$ 825.09	\$221.07
<b>Small Ab Residence (10 cu m)</b>	\$ 265.50	\$ 433.50	\$ 482.40	\$48.90	\$ 552.47	\$118.97	\$ 622.50	\$189.00
<b>Medium AB Residence (10.5 cu m)</b>	\$ 277.80	\$ 445.80	\$ 496.41	\$50.61	\$ 569.17	\$123.37	\$ 641.89	\$196.09
<b>Large AB Residence (31 cu m)</b>	\$ 765.72	\$ 933.72	\$ 1,006.21	\$72.49	\$ 1,104.14	\$170.42	\$ 1,218.30	\$284.58
<b>SK Senior's Apartment (585 cu m)</b>	\$ 11,314.26	\$ 11,338.26	\$ 13,148.54	\$1,810.28	\$ 15,031.35	\$3,693.09	\$ 17,287.55	\$5,949.29
<b>Large AB Hotel (945 cu m)</b>	\$ 16,893.06	\$ 16,917.06	\$ 20,295.67	\$3,378.61	\$ 23,747.86	\$6,830.80	\$ 27,548.71	\$10,631.65

**Impact of Combined Proposed Water Rates and Tax Rates on Various Properties**

Revised

4/13/2010 11:49

	City Taxes 2009	Taxes and Utilities 2009	Taxes and Utilities 2010	Change 2010vs2009	Taxes and Utilities 2011	Change 2011vs2009	Taxes and Utilities 2012	Change 2012vs2009
<b>Small SK Residence (17 cu m)</b>	\$ 382.58	\$ 986.60	\$ 1,022.89	\$36.28	\$ 1,118.10	\$131.50	\$ 1,214.23	\$227.63
<b>Small Ab Residence (10 cu m)</b>	\$ 496.62	\$ 930.12	\$ 952.22	\$22.10	\$ 1,038.72	\$108.60	\$ 1,125.78	\$195.65
<b>Medium AB Residence (10.5 cu m)</b>	\$ 1,041.18	\$ 1,486.98	\$ 1,433.90	(\$53.08)	\$ 1,539.46	\$52.48	\$ 1,646.14	\$159.17
<b>Large AB Residence (31 cu m)</b>	\$ 5,195.50	\$ 6,129.22	\$ 6,062.48	(\$66.74)	\$ 6,337.38	\$208.16	\$ 6,634.70	\$505.48
<b>SK Senior's Apartment (585 cu m)</b>	\$ 13,023.82	\$ 24,362.08	\$ 29,841.79	\$5,479.71	\$ 32,308.86	\$7,946.79	\$ 35,169.78	\$10,807.70
<b>Large AB Hotel (945 cu m)</b>	\$ 55,181.88	\$ 72,098.94	\$ 77,763.19	\$5,664.25	\$ 83,226.74	\$11,127.80	\$ 89,109.36	\$17,010.42