

TOWN COUNCIL PASSES 2017 BUDGET

April 26, 2017

DRAYTON VALLEY- The 2017 Budget reflects a deliberate approach to be fiscally responsible to the economic climate in our community. The Town of Drayton Valley is committed to responsible capital expenditures by taking a long-term, comprehensive planning approach for life-cycle repair and replacement of facilities. This dedicated investment will result in projects to maintain and improve infrastructure, improve quality of life and prepare for future growth in Drayton Valley.

Since passing the Interim Budget, the Town of Drayton Valley has realized improved cash flow during the first quarter of 2017. This was achieved by optimizing staffing efficiencies and presenting a more modest capital plan. These savings have lowered the draw on reserves and, going forward, this puts the Town in a stronger financial position. Administration will continue to manage in-year operational expenditures to minimize financial impacts for 2017 and beyond.

“We have already seen in-year savings and a more manageable revenue picture for 2017 as we pass our Final Budget. This budget is a structured and balanced approach to meet the current and future needs of the community. As we continue operations for the remainder of 2017, we will be diligent to ensure that essential Capital Projects are prioritized for the community,” states Mayor Glenn McLean. *“The timeliness of some services will change in 2017, but the quality of these services will be maintained for our residents.”*

As a result of the economic downturn Drayton Valley has experienced a decrease in commercial, retail and residential development. Our facilities have experienced fewer bookings which has resulted in decreased revenue. Expenditures have been reduced by using existing staff resources rather than contract services, managing overtime and reducing summer staff positions. The timeliness of some services will be impacted as a result of these reductions and include such things as summer aesthetic maintenance and snow removal.

The Town of Drayton Valley is committed to moderate investment in capital initiatives that include life-cycle rehabilitation of facilities and a focus on surface and sub-surface infrastructure. In 2017, monies are designated for the completion of the Mackenzie Avenue project, Park Valley Pool repairs and greenspace improvements. Appropriate expenditures will continue on existing surface and sub-surface infrastructure, including our roadways, water lines, sewer lines, and storm water substructures.

As part of a change in services, the 3R Roundup is launching in the spring of 2017. This is an opportunity for residents within Town boundaries to take items that cannot be picked up by curbside collection to the Aspen Waste Management Facility. The 3R Roundup is scheduled for May 26 and 27, 2017.

An outcome of the program and service review was the contracting of a new provider for curbside collection. The level of service for residents for their waste collection and recycling is maintained, and is at a reduced cost to the municipality.

“The residents of Drayton Valley continue to feel the impact of the economic downturn. As we endeavor to be responsible to the community in which we serve, we aspire to be as resilient as our community continues to be. Town Council is committed to being fiscally responsible to the individuals, families and businesses in our community,” notes Mayor Glenn McLean.

The tax increase for homeowners in 2017 is 3.99%. This results in an average tax increase of \$65.31 per year or an average monthly increase of \$5.53 per property owner. The tax increase for industrial or commercial property owners is also 3.99% or an average of \$481.81 per year or \$40.07 per month.

A variance may be reflected in the amount on your final tax notice. This is a result of changes to the education property tax, seniors requisition rate, and property assessment.

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CAPITAL PLAN and PROJECTS BACKGROUNDER

2017 Capital Plan

The **2017 Budget** includes a **Capital Plan** that acknowledges the current revenue realities and economic climate. Town Council is committed to responsibly pursuing a modest investment in capital for 2017. Growth rates may have been projected high in the past, but with the state of our local economy and decreased revenues, a more modest approach to growth rates for 2017 is being used.

In the Fall of 2015, the Town of Drayton Valley commissioned a new Water Treatment Facility. In order to meet Town growth and users' requirements for water, **\$350,000** is being allocated for the design of a new **high lift pump station** pending the approval of the **Alberta Community Resiliency Program Grant**.

Infrastructure is imperative to a strong and stable community and the Town of Drayton Valley is allocating almost **\$3,000,000** to our **overall life cycle rehabilitation**. There will be a focus on **surface and underground infrastructure rehabilitation**. The surface infrastructure includes: **roadways, curbside maintenance and repair, sidewalk repair and greenspace revitalization**. Though not always seen, underground infrastructure includes **water lines, sewer lines and storm water lines** that are vital to our community now and in the future.

In 2017, **\$500,000** has been allocated for the **Pool Fund** to decrease the economic impact of trying to fund the entire cost of a new facility in one budget cycle. This is the third year of allocated funding for a potential new **aquatic facility**.

A new **Landfill Waste Management Plan** is needed to complement our existing **Integrated Waste Management Strategy**. This plan will combine the **Integrated Waste Management Strategy, Community Sustainability Plan, Economic Development Plan** and relevant **policies** that will shape the overall vision for the Town of Drayton Valley's Landfill. To assist in the development of this plan, **\$37,500** has been allocated.

2017 Cost Sharing Capital Projects

The **Park Valley Pool restoration** has been identified to our regional partners as a cost-sharing capital priority. It requires investment in components that require replacement. To ensure compliance with Alberta Health legislation, the Park Valley Pool also requires an **Anti-Entrapment Upgrade and Automatic Pump Shut-Off Valve**.

Town Council approved **\$175,000** for the construction of a washroom and concession facility at the **Brazeau Sports Park**.

STAFFING AND SERVICE LEVELS BACKGROUNDER

2017 Staffing and Service Levels

Throughout 2016, and as part of the **2017 Budget**, staffing and service levels were reviewed and expenditures were evaluated organization wide. In, 2016, Town Council directed Administration to identify in-year savings which resulted in decreased expenditures. This approach will continue in 2017 with an emphasis on managing operational costs.

There will be a reduction of **summer staffing positions** for 2017. The timeliness of some services will be impacted as a result of these reductions and include such things as **greenspace maintenance, flower box and flower bed care and grass mowing**.

The **Spring Clean-up** has changed to the **3R Roundup**. This new approach will allow a dedicated time in the spring for Town of Drayton Valley residents to access the Aspen Waste Management Facility at no charge. This is an opportunity for residents to drop off items that would normally not be picked up by curbside collection. The dates for the 3R Roundup are **May 26 and 27, 2017**. The **Fall Clean-Up** will continue in **October 2017**.

To limit overages and significant expenditures in labour costs, the Town of Drayton Valley changed the **snow removal** process for remainder of **2017**.

In **2017**, a new provider was contracted for the **municipal solid waste collection and recycling curbside pickup**. Residential waste carts for **curbside and roadway pickup** are being provided at no charge. Recycling pickup will continue with the use of blue bags. Future opportunities with the provider will allow the flexibility to add **organics** or other services as needed by the community.

As part of the reduction of expenditures, and as part of the internal review of in-year savings, **non-union staff** did not receive a **cost of living increase for 2017**.