



Municipality of Jasper **BUDGET 2007**

Approved Operating and Capital Budget – January 2, 2007

Budget and Business Plans

Council approved policy in August of 2003 requiring that administration prepare three-year business plans as part of the annual budgeting process. The purpose was to establish goals and develop longer- term strategies. The 3-year business plans acts as a guide for the development of the annual budget. The Capital budget is prepared as a 5-year plan.

Guiding Principles

Mayor and Council in the spring of 2006 discussed and agreed on a list of Priorities. These Priorities were provided to Administration for inclusion into the 3-year business plans and 2007 Budget proposal.

These priorities included

- Land Release for Housing
- Development of additional Housing
- Development of Performance Measures
- Assisted Living Facility development
- Implementation of Facility Review recommendations
- Maintaining and meeting formal service delivery standards
- Completion of Town Trail
- Acquiring new funding sources
- Proceed with an integrated Community Planning process.
- Centennial Park Improvements

Approved Budget

- The \$10,230,784 operating budget for 2007 maintains the current high level of municipal services residents currently receive, and provide funding to proceed with new priorities and initiatives. Revenues from municipal taxation will be increased by 7.6%, from \$4,796,194 (2006 budget) to \$5,160,625 (2007 budget). Details on page 5.

Tax Impacts

- A single detached home assessed at \$360,000 will see in an increase of \$ 65 per year or \$ 5.43 per month.
- A commercial property assessed at \$1,000,000 would see in an increase of \$1,195 per year or \$99.59 per month.

Note - projections based on the tax split remaining at 6.5 to 1.

Until such time as alternative revenue sources are provided to Alberta Municipalities, it is predicted that similar increases will be necessary in the future if existing services are to be maintained. A comparison of tax increases in other Alberta communities over the past three years is on page 6.

Tax Splits and impact on Tax Rates

- A 6.5 to 1 tax split means the commercial tax rate is 6.5 times higher than the residential tax rate. In 2006 the 6.5 to 1 tax split resulted in 81% of the Municipal tax revenues being collected from Commercial properties and 19% from residential properties. If the tax split is lowered, then a greater portion of the Municipal tax is collected from the residential sector.
- Mayor and Council review the tax split when the tax rate bylaw is considered in April/May. The tax rate bylaw is prepared after the Province sets the Education tax requisition with the tabling of the Provincial budget, usually about the 1st week of April. The tax split was decreased from 7.5 to 6.5 in 2004.
- Factors impacting the tax split in the Municipality of Jasper are the education tax burden on residential property and land rents becoming \$1 per year in 2001 at which time Commercial property owners realized the largest savings.

Residential Taxes

- Residential taxes in the Municipality of Jasper are slightly lower than a comparison of 13 other Alberta Municipalities. The comparison used is a bungalow - 10-15 years old with 3 bedrooms – 2 baths and single detached garage. This comparison on page 7, indicate the 2005 taxes in the Municipality of Jasper were approximately \$200 less than the sample average.

Commercial Municipal Taxes

- A comparison of 128 Alberta towns indicate the Commercial Municipal tax rate, with a 6.5 to 1 tax split is slightly higher than the average for Commercial properties. In 2006 the tax rate for municipal purposes was 15.802. The average of the 128 Municipalities was 14.129 with the range being 4.578 to 35.000.

Utility Fees (water, sewage and solid waste)

- A survey of 25 similar sized communities indicates that the Municipality of Jasper utility rates are very close to the sample average. This information is on pages 8 & 9.

Water and Sewage rates

- Water and Sewage operations include the distribution and treatment systems. Water and Sewage is funded entirely by utility fees and conditional grants. Municipal taxation is not used in the water and sewage operations. Proposed expenditures in Water and Sewage require a 2% increase in 2007 from the 2006 rates.

Solid Waste Fees

- A committee consisting of residents and municipal staff in 2006 reviewed the rates and rate structure. Based on this review, it was recommended to Council on December 16th, 2006 that adjustments to the rate structure occur. The bear proof garbage receptacle system required in Jasper, prohibits a “pay as you throw” system which is becoming the generally accepted form of paying for solid waste.
- Information gathered indicate the solid waste pick up costs for the commercial sector account for 60% of the costs, however the commercial sector contributes 46% of the revenues, apartments account for 9% of costs & contribute 15% of revenue and residential account for 33% of the costs and contribute 38% of the revenue.
- The approved budget requires an increase of 20% in solid waste revenue from user fees with municipal taxation contributing \$75,000 in 2007 towards the total operational costs of \$530k. The Solid Waste review committee presented their report and recommendations to Council on December 16, 2006. A copy of this presentation is on the Municipal Website. Council will be considering a bylaw to approve the recommended solid waste fees in January and February of 2007.

Day Care – Early Childhood Programmes

The Municipality of Jasper is one of only two Municipalities in Alberta that directly provide Day Care services. The 2007 budget approved continued operations of the Child Care program, with user fee rates increasing 4%. This will require an increase in the municipal tax contribution for FCS, COS and Day Care from \$274,360 to \$328,925. A number of parents have submitted letters to Council requesting that the integration of Day Care and the former Nursery School program revert back to a separate society operation in September of 2007. A decision on this request will occur in the near future. The combination of higher than average wages provided under the CUPE agreement, the desire to maintain fees at affordable levels, and the provision of services to part time and casual users results in high quality programming that meets the needs of many. Continuing to be the direct and sole provider of these services requires additional municipal tax subsidies in the future. Continuation of Federal and Provincial funding subsidies for Day Care remains uncertain.

The options as identified by Administration are:

- Continue as the sole provider for this service – this requires additional facilities and increased support from municipal taxes. It is projected that, subject to Provincial and Federal funding remaining “as is” the additional cost per year to continue to provide this service will likely grow by \$20k to \$30k per annum. This would represent an annual .5 % increase in Municipal tax.
- Provide a maximum number of spaces that can be accommodated in the current facility (approx 33 - 35) and encourage, possibly through the provision of subsidies to private operators or societies, provided they meet operating criteria established and approved by Council to pick up the excess need. This might result in a somewhat lower demand on municipal taxes.

- Phase out operating Day Care on a direct basis but continue to provide municipal tax subsidies to private operators or societies, provided they meet operating criteria and standards approved by Council.

Summary of Approved Budget

Revenues

- 7.6% increase in Municipal taxation revenues
- 20% increase in solid waste fees
- Increase water rates by 2% - sewage by 2%
- 4% increase in Day Care and majority of Recreation rentals and fees.
- Increase fine revenues in Bylaw from \$22k (2006 budget) to \$35.5k (2007 budget) - this increase is based on the elimination of the current practice of issuing warning tickets on a 7 – 1 ratio to actual tickets.

Expenditures

- Fund Solid waste operations \$75k from Municipal Taxation
- Provide for inflationary increase in ambulance and dispatch contracts
- Emphasis and funding for increased marketing of Culture and Recreation facilities.
- Provision of \$81,000 for new initiatives in Community Planning and costs involved in proceeding with land release for Housing.
- Provision of taxation support for CFS programs such as summer fun, after school care, community dinners
- Provides funding for an additional ½ staff position for environmental services roads & streets operations.
- Maintains current service levels in Grounds & Parks service levels.
- Provision of funding to implement compensation review recommendations
- Reduction of 1 FT staff in W & S

Capital Budget

- Progress continues to be made on the 10-year capital plan that was developed and presented at the time of the vote on local governance in 2001. Approximately \$25 Million in improvements to the Municipal Infrastructure have occurred to date.
- In 2007 there is \$11.1 Million in capital projects are proposed, with some of this work being carried over from the 2006 Capital plan.
- The details on the 2007 Capital budget are on page 10.
- The Five-Year Capital plan projects total expenditures of approximately \$21 Million. It is projected that more than \$16 Million or 78% of the five year capital program will be financed through Conditional Capital funding sources.
- The Capital budget continues to fully fund the recapitalization program This is vital to maintaining the assets of the Municipality.

2007 Approved Operating Budget

	2007		2006			
	Revenues	Expenditures	Taxation Support	Taxation Support		
Governance and Administration	170,300	1,037,471	867,171	817,296	6.1%	Inflationary costs and funding for integrated community planning, & land release for housing
Corporate, Bylaw and Housing	112,000	470,691	358,691	363,255	-1.3%	
Ambulance	156,000	212,440	56,440	71,840	-21.4%	Expect Provincial support to continue
FCS, COS and Day Care	817,450	1,146,375	328,925	274,360	19.9%	Inflation - tax support for programming
Environment Services	2,549,378	3,832,471	1,283,093	1,192,571	7.6%	Inflationary increases, taxation support for solid waste, recycling.
Fire - Emergency Services	219,653	592,977	373,324	357,704	4.4%	Inflationary costs
Culture - Recreation/Parks - Facility Operations	795,378	1,910,687	1,115,309	1,085,569	2	Inflationary costs
Culture - Library	-	127,042	127,042	112,156	13.3%	Inflation & agreement with regional association
Culture - Museum	-	27,184	27,184	26,265	3.5%	Inflationary increase
Community Culture and Economic Development funds	-	35,000	35,000	30,000	16.7%	Funding allocation for distribution
Land Rent and Planning	-	538,446	538,446	515,178	4.5%	Inflationary increase
Capital	-	250,000	250,000	250,000	0.0%	Annual contribution
Compensation review contingency	-	50,000	50,000			
Franchise Fees	250,000	-	250,000	300,000	-16.7%	
	5,070,159	10,230,784	5,160,625	4,796,194	7.6%	

Comparison of Municipal Tax Increases over the past 3 years

Municipality	Population	2004	2005	2006	3 yr avg
BANFF	8,352	0.00%	3.50%	2.80%	2.10%
DRUMHELLER	7,785	5.76%	2.78%	6.92%	5.15%
EDMONTON	712,391	5.30%	4.61%	3.20%	4.37%
EDSON	8,365	5.00%	5.00%	6.50%	5.50%
GRIMSHAW	2,435	7.22%	3.61%	3.81%	4.88%
HIGH RIVER	9,522	15.70%	13.10%	14.70%	14.50%
JASPER	4,511	1.10%	3.50%	6.00%	3.53%
LETHBRIDGE	77,202	9.50%	8.70%	10.30%	9.50%
STETTLER	5,226	4.25%	7.24%	11.34%	7.61%
SYLVAN LAKE	8,504	13.77%	12.10%	11.77%	12.55%
AVERAGE		6.76%	6.41%	7.73%	6.97%

2005 Residential Tax rate Comparison						
Municipality	Assessment **	Municipal	Education	Seniors	Total Tax	
		Tax Rate	Tax Rate	Lodge Tax	Rate	
		Residential	Residential	Residential	Residential	
1 PINCHER CREEK	200,000	13.462	4.737	0.171	18.370	
2 DRUMHELLER	180,000	11.567	4.569	0.000	16.136	
3 DIDSBURY	200,000	10.000	4.295	0.142	14.437	
4 CORONATION	130,000	16.417	5.103	0.515	22.035	
5 NANTON	190,000	10.007	4.622	0.258	14.887	
6 OYEN	120,000	17.900	5.106	0.343	23.349	
7 EDMONTON	275,000	5.883	3.800	0.000	9.683	
8 CALGARY	325,000	3.968	4.062	0.000	8.030	
9 CANMORE	410,000	3.187	2.781	0.119	6.087	
10 JASPER	360,000	2.431	4.398	0.059	6.888	
11 BANFF	360,000	2.427	4.160	0.050	6.637	
12 SUNDRE	180,000	7.683	4.383	0.145	12.211	
13 STETTLER	150,000	8.562	4.747	0.367	13.676	
Average	236,923	8.730	4.366	0.167	13.263	

Comparison of Total Taxes Payable		Municipal	Education	Seniors	Total Taxes	
		Taxes	Taxes	Taxes	Residential	
	Assessment	Residential	Residential	Residential	Residential	
1 PINCHER CREEK	200,000	\$ 2,692	\$ 947	\$ 34	\$ 3,674	
2 DRUMHELLER	180,000	\$ 2,082	\$ 822	\$ -	\$ 2,904	
3 DIDSBURY	200,000	\$ 2,000	\$ 859	\$ 28	\$ 2,887	
4 CORONATION	130,000	\$ 2,134	\$ 663	\$ 67	\$ 2,865	
5 NANTON	190,000	\$ 1,901	\$ 878	\$ 49	\$ 2,829	
6 OYEN	120,000	\$ 2,148	\$ 613	\$ 41	\$ 2,802	
7 EDMONTON	275,000	\$ 1,618	\$ 1,045	\$ -	\$ 2,663	
8 CALGARY	325,000	\$ 1,289	\$ 1,320	\$ -	\$ 2,610	
9 CANMORE	410,000	\$ 1,307	\$ 1,140	\$ 49	\$ 2,496	
10 JASPER	360,000	\$ 875	\$ 1,583	\$ 21	\$ 2,480	
11 BANFF	360,000	\$ 874	\$ 1,498	\$ 18	\$ 2,389	
12 SUNDRE	180,000	\$ 1,383	\$ 789	\$ 26	\$ 2,198	
13 STETTLER	150,000	\$ 1,284	\$ 712	\$ 55	\$ 2,051	
Average	236,923	\$ 1,661	\$ 990	\$ 30	\$ 2,681	

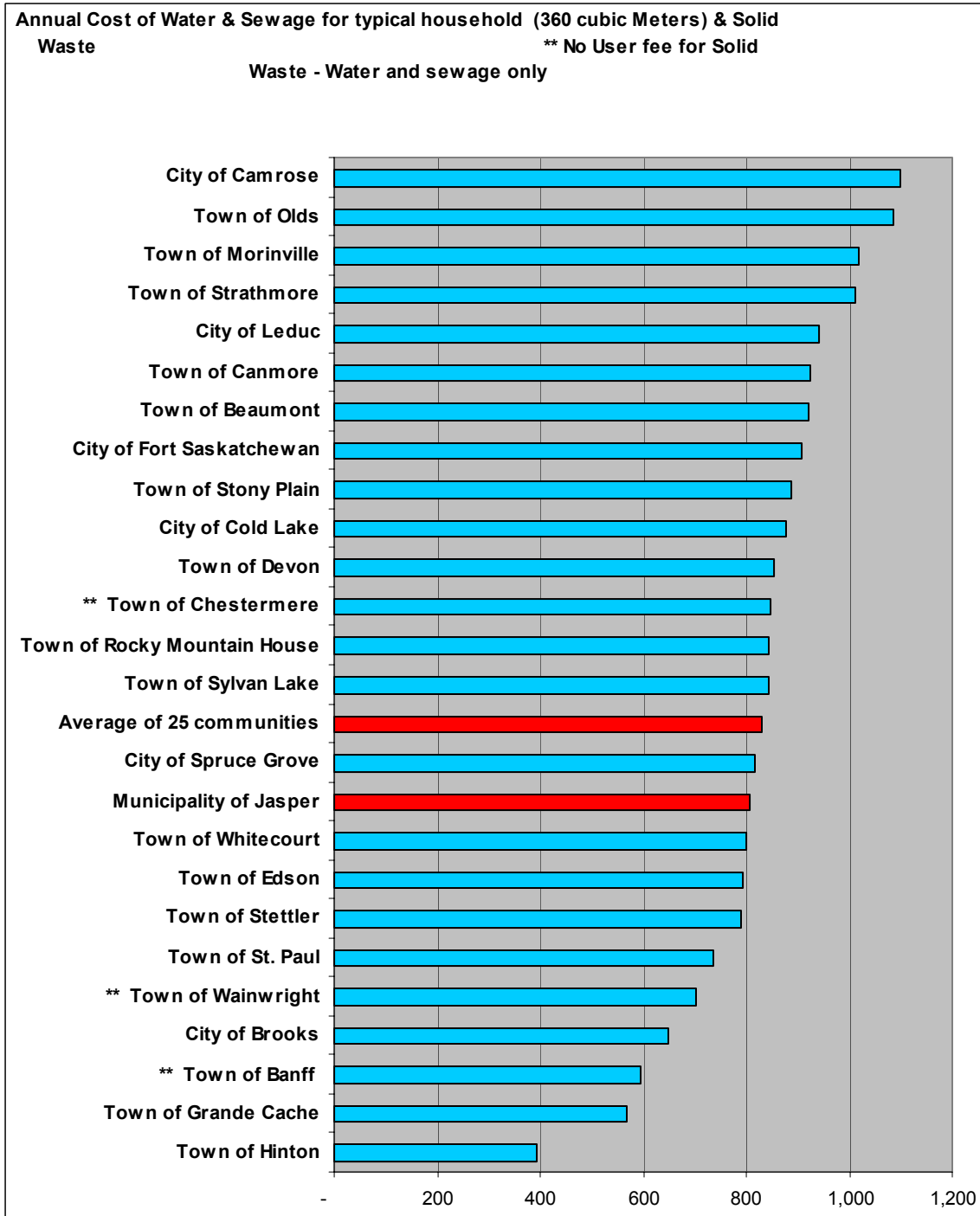
** based on a modern 1,200 to 1,500 sq. ft house, 10-15 years old, 3 bdrms, 2 baths, few upgrades

Annual Utility Charges for Standardized Residential 2006 Rates

Based on a consumption of 360 Cubic meters per annum.

If amount is 0 -- it means the costs are likely being funded by Municipal tax.

<i>Municipality</i>	<i>Water</i>	<i>Sewer</i>	<i>Storm</i>	<i>Solid Waste</i>	<i>Total</i>
City of Camrose	693	316	0	90	1,098
Town of Olds	558	352	0	177	1,086
Town of Morinville	515	366	0	138	1,018
Town of Strathmore	452	427	17	115	1,012
City of Leduc	393	344	60	144	941
Town of Canmore	268	494	0	164	926
Town of Beaumont	346	402	0	172	921
City of Fort Saskatchewan	432	317	0	158	906
Town of Stony Plain	389	346	0	153	888
City of Cold Lake	464	232	0	180	876
Town of Devon	389	361	0	102	852
Town of Chestermere	408	440	0	0	848
Town of Rocky Mountain House	440	293	0	110	843
Town of Sylvan Lake	366	296	0	180	842
Average	409	297	3	120	829
City of Spruce Grove	449	225	0	142	816
Municipality of Jasper	256	403	0	148	807
Town of Whitecourt	332	332	0	138	801
Town of Edson	392	196	0	206	794
Town of Stettler	476	168	0	144	788
Town of St. Paul	411	206	0	120	737
Town of Wainwright	540	162	0	0	702
City of Brooks	331	162	0	157	650
Town of Banff	230	364	0	0	594
Town of Grande Cache	339	206	0	23	568
Town of Hinton	214	117	0	63	394



2007 Approved Capital Plan

2007	Budget	Funding Sources	
Tonquin Turret, Birch, Larch & Miette - phase 1 - Use Funding from AB infrast deferred from 2006 (832,278) + 2007 grants from infrast, gas & streets grants	2,154,258	Prov. Ab. Infrastructure Program - (2006)	832,278
		Prov. Ab. Infrastructure Program - (2007)	832,278
		Federal & Prov fuel / road grants	429,350
		Municipal Sponsorship Program	60,352
Central Business District Utility and Street Upgrades - Patricia lane & Hazel	145,000	Jasper - Banff Special Grant	145,000
Pedestrian Underpass -- subject to obtaining \$1.2M from CNR.	2,400,000	Jasper - Banff Special Grant	1,200,000
		CNR	1,200,000
Water: Hydrant upgrades storz connector	20,000	Utility Reserves	20,000
Patricia Circle Planning	10,000	Utility Reserves	10,000
Activity Centre - Funding application for 3 Million from Fed - Prov Infrastructure (CAMRIF)	4,500,000	CAMRIF	3,000,000
		General Reserves	1,500,000
Medical Clinic	750,000	General Reserves	300,000
		Borrowing by Debenture	450,000
Provincial Building Improvements	700,000	General Reserves (deferred from 2006 budget)	700,000
Boulevard Replacement program	50,000	General Reserves	50,000
Public Works Security fencing	17,000	General Reserves	17,000
Community Cameras	30,000	From General Reserves	30,000
Administration capital - recap	60,000	From Operating Budget	60,000
Recreation capital - recap	142,000	From Operating Budget	142,000
Fire Dept capital - recap	22,000	From Operating Budget	22,000
Mobile Equipment	110,000	From Operating Budget	110,000
Total 2007	11,110,258		11,110,258