

2005 BUDGET

Manager's Letter to Council

January 3, 2005

Dear Mayor Ireland and Municipal Council:

On behalf of the Staff and Management of the Municipality of Jasper, I am pleased to advise that a proposed Budget, 2005 – 2007 Department Business Plans and a five-year Capital Plan 2005 – 2009 have been prepared for your consideration. Through them, our work continues to sustain Municipal services, respond to needs for additional Municipal services to support a high quality of life for the Citizens of and the Visitors to the Municipality of Jasper.

Council Guidelines for Budget Development

Operating

In August of 2003, Council adopted guidelines with respect to development of three-year business plans and the budget process. In accordance with these guidelines:

- Each Director has prepared a three-year business plan,

this plan to set direction, establish goals and develop a long-term strategy.

- The business plans act as a guide for the development of the annual budget.
- Annual budgets will provide revenue and expenditure projections for a three year period.
- Proposed changes in user fees shall be itemized in the annual budget submission.

In September of 2004 Council was provided with a document that established tax envelope targets, which Directors used in development of their annual operating budget.

The tax envelope targets being proposed in the 2005 operating budget would result in a municipal tax increase of slightly more than 4% over the Municipal taxes levied in 2004.

There are no increases being proposed in the Utility and Solid Waste rates in the 2005 budget. Most significantly, the proposed budgets provides for the maintenance of existing services. The Operating budget is not proposing any program or service level reductions due to funding reductions.

Municipal Infrastructure

Initiatives included in the 2005 proposed budget to meet the demands of maintaining the Municipal Infrastructure.

- The consolidation of resources into the Environmental Services department
- Proposed addition of two more personnel
- New centralized facility
- Continuation of the recapitalization program

Capital Plan

A five-year (2005 – 2009) Capital plan has been prepared for consideration. This \$20 Million Plan provides a list of Capital projects for your consideration.

Table of Contents

Manager's Letter to Council	1
Addressing Public Priorities	3
Budget at a Glance	4
Sources of Revenue	5
Operating Budget Expenses	5
How Taxes are spent	6
Five Year Capital Plan	
Goals	
Need for Projects Identified in	
Capital Plan Progress report	
005 - 2009 Proposed Capital Plan	7
2005 -2009 Capital Plan	
Source of Funds	8
Capital reserves /Operating Surplus	
Debt, Debt per Capita	9
Debt	10
Recapitalization Program	
Proposed Allocation of Jasper Banff	
Infrastructure Grant.....	11

- These projects have been identified in the Reid Crowther Infrastructure Report - 1999
- Green Space Plan - 2002
- Facilities review – 2004
- UMA Traffic review 1994 and additional survey work conducted in 2004
- Enhanced Provincial and Federal Standards for Water

The Capital Plan does not propose any additional borrowing over the next five years. The Municipality had debt of just over \$9 Million at the end of 2004, which equates to capital debt of \$1,951 per capita.

The debt principal and interest payments to service debt is \$800,000 per annum.

Funding for the proposed \$20 Million 5 –year Capital plan projects are outlined in detail in the detailed 5 year capital plan.

Some of the funding sources are yet to be made official, and should funding sources not materialize the plan will be amended.

Impact of a 4% increase on Municipal Taxes

For a residential property assessed at \$275,000, which is the typical assessment for a 3 bedroom 1,400 sq ft bungalow with a detached garage, a 4% increase in Municipal taxes would equate to a tax increase of about \$36. per annum or \$3 per month. This assumes that the residential – commercial tax split would remain at 6.5 to 1.

A 4% municipal tax increase on a Commercial building on Connaught Street assessed at \$800,000 equates to a tax increase of about \$500 per year or \$42 per month, and again this

assumes the residential commercial tax split remaining at 6.5 to 1.

Education Taxes

The Education Tax to be collected will be set by the Province of Alberta. The Municipality of Jasper is required by Provincial law to collect these taxes from the owners of Municipal property and remit same to the Province of Alberta. Education Tax levels will be determined when the Provincial Budget is released.



New Fiscal Deal

Over the past two years, Municipalities from across Canada have been pursuing a new fiscal deal with other orders of government.

- Municipalities are encouraged by the Federal Governments commitment to sharing of federal gas tax revenues, and the Municipality of Jasper is well positioned to make best use of those funds when they are available with the development of a detailed five-year capital plan.

- The Province of Alberta has promised to provide approximately \$3 Billion

to Alberta Municipalities over the next five years. Again, the five-year capital plan has projected this new revenue source.

- In the past year, the Municipality of Jasper has benefited from the fact the Province of Alberta has assumed full responsibility for Policing Costs for Towns of less than 5,000 population.

- A 5-year \$12.5 Million special infrastructure grant to be divided between the Towns of Jasper and Banff.

- The budget is anticipating that Regional Health Authorities will accept full responsibility for Ambulance costs in April of 2005.

These amendments contributed to a broad range of Municipal services being provided at affordable user fee rates, and the development of a 5-year \$19.4 Million Capital plan that does not involve additional debt. Without these amendments, this would not have been possible.

The Future

All Municipal initiatives and plans are targeted toward supporting our role as the steward of public assets, and maintaining an outstanding quality of life for the residents of Jasper, now and for the future.

The Management, Staff and I are committed to providing timely information and support to Mayor and Council, as they review the business plans and budgets, and making decisions on behalf of the residents and tax payers of the Municipality of Jasper.

George Krefting
Municipal Manager

Addressing Public Priorities

The proposed 2005 Budget contains initiatives that address public priorities. Those initiatives are outlined below and would be “funded” pending approval by Council.

Housing Authority (new initiative)

- Responding to the Public’s Desire to respond in a pro-active manner to the Housing Study completed in 2003 and implementing the recommendations of the Housing Authority Working group developed in 2004.

- Budget proposed is approximately \$100,000, with funding coming from Municipal Taxation

Economic Development (new initiative)

- Responding to the Vision Statement developed by the community which states “Seniors, families and young people are provided opportunities and encouragement to remain in Jasper.

- Budget proposed is \$30,000 and will provide funding to assist in clarifying the role of the Municipality in economic development, support and encourage the establishment of a community tourism marketing entity and provide resource allocations for current economic development activities.

- \$50,000 is also provided as the Municipality of Jasper contribution towards the 2006 Alberta Winter Games being hosted by Jasper, Hinton and Edson.

Capital Plan

- Funding will be provided in 2005 for the development of a new water

supply, so as to meet and exceed Provincial and Federal safe water drinking guidelines.

- Development of an additional 200 Parking stalls.

- Improvements to roadways and traffic control.

- Continued development of the pedestrian trail network. This was identified as a priority in the Public consultations during the development of the Green Space Plan.

Corporate Services & Bylaw

- To provide resources to inform and continue to engage the community in Municipal Decision making.

- Increase the Municipality’s emphasis on internet-based communications through the continued development of the Municipality of Jasper web page www.jasper-alberta.com

- Accomplish greater levels of community and municipal support for bylaw operations, continue to refine compliance-based operational focus.

Community and Family Services

- Continue to have a well-integrated and highly functional department with strong links between Family Community Support Services, Community Outreach Services, Jasper Children’s Centre and the Community.

- Continue to mobilize and organize resources to respond effectively to community needs

- Increase awareness of the Community Team Model Working in Partnership with the Community to investigate the possibility of expanding the Children Centre Operational hours.

Emergency Services

- Continue to provide a high level of service in Fire Protection and Prevention, Emergency Services and Inspection programs.

- Update all Standard Operating Procedures

- Maintain a wild land urban interface response that will address structural protection during a wild land fire Improve delivery and effectiveness of Jasper Volunteer Fire Brigade training programs

- Establish and maintain a positive working relationship with the Ambulance operations and Aspen Health Authority

Culture and Recreation

- Creation of a wellness centre for all age groups.

- Create a fee structure that accommodates users and meets fiscal budget needs.

- Continue renovations to enhance energy conservation

- Modifications to existing facilities in response to the facility review

- Provide opportunities for promotion of cultural awareness

Environment Services

- Development and implementing the 5 – year capital plan which balances infrastructure development with infrastructure deficit.
- Continue to foster good working relationships with Jasper National Parks Staff.
- Improve system of formal records through the implementation of the Municipal Information Management System.
- Provide reliable cost effective Utilities to business and residents
- Predictive and effective Preventive Maintenance programs for all Municipal Infrastructure.
- Reduce amount of solid waste being transferred to Landfills from 2003 levels through an effective recycling program
- Continue to implement the initiatives outlined in the Green Space Plan Continue to expand Recycling operations with expanded composting and the development of a “Re-use-it” Centre

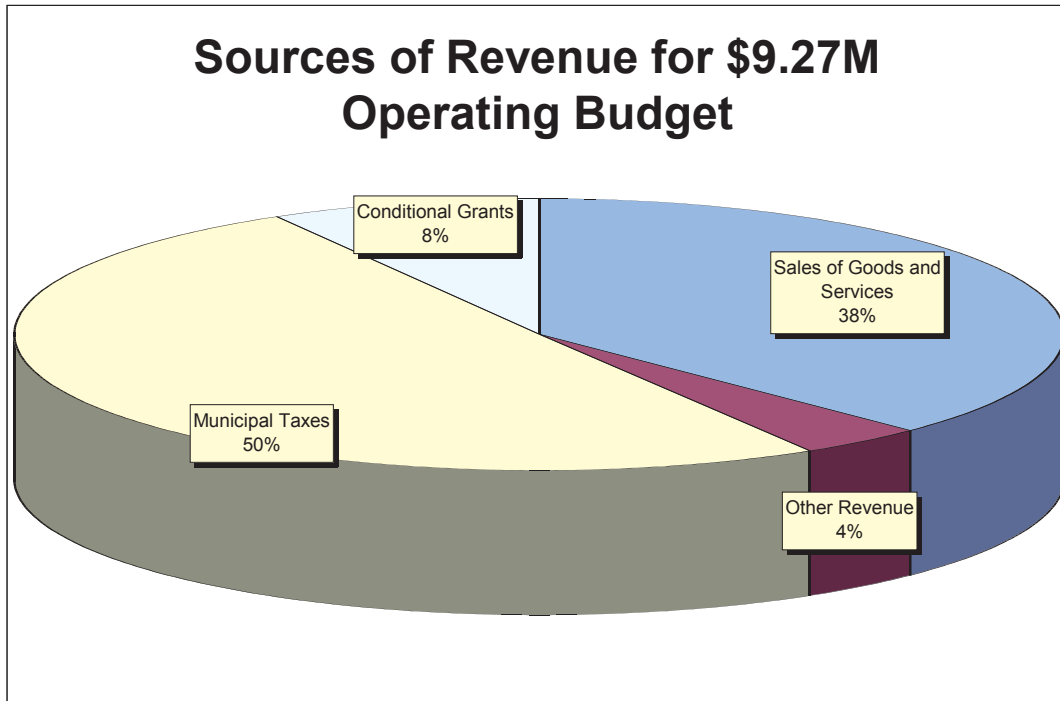
Finance and Administration

- Improving Public access for residents to the Town Administration offices
- Continue to improve on the provision of quality customer service
- Continued improvements and effectiveness in provision of administrative support to other departments to assist them in achieving their objectives.
- Ensure Provincial and Federal regulatory and legislative requirements are adhered to.

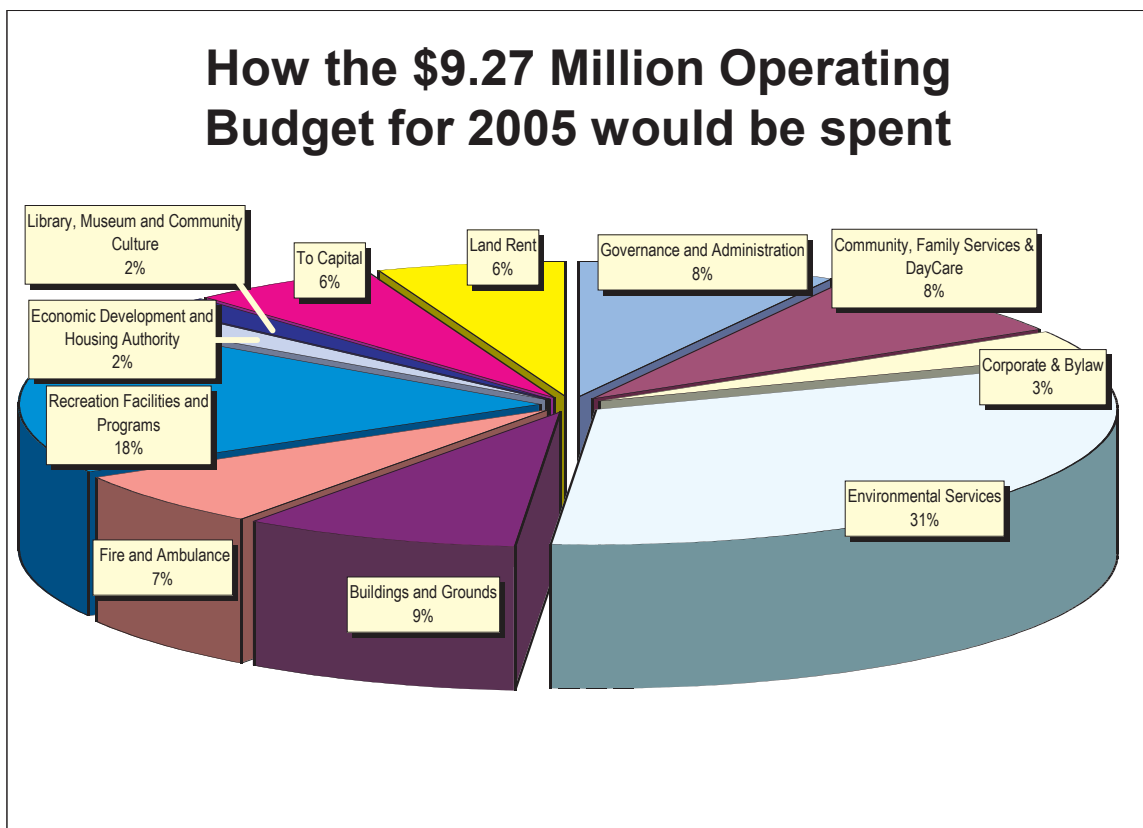
Budget at a Glance

	2005 Proposed Budget		2004 Budget	
	Revenue	Expenditure	Revenue	Expenditure
Governance and Administration	(92,300.00)	753,650.00	(77,250.00)	711,815.00
Community, Family Services and DayCare	(563,650.00)	765,300.00	(469,663.00)	637,649.00
Corporate & Bylaw	(49,000.00)	278,036.80	(104,200.00)	442,656.00
Environmental Services - Roads, Streets, Water,	(2,595,727.00)	3,763,325.33	(2,376,047.00)	3,376,441.00
Fire & Disaster Services	(220,498.00)	581,090.00	(217,943.00)	566,682.00
Ambulance	(23,750.00)	47,500.00	(74,419.00)	180,435.00
Recreation programs & Facility Operations	(768,100.00)	1,662,102.65	(752,652.00)	1,568,471.00
Economic Development and Ab Winter Games		80,000.00		0.00
Housing Authority		99,962.00		0.00
Municipal Library		111,900.00		106,600.00
Museum		25,000.00		25,000.00
Cummuny Culture & Economic Fund		30,000.00		30,000.00
To Capital		520,000.00		497,900.00
Land Rent		553,666.00		542,810.00
Other Revenue	(300,000.00)		(250,000.00)	
Municipal taxes (4% increase)	(4,658,508.00)		(4,480,035.00)	
Total	(9,271,533.00)	9,271,532.78	(8,802,209.00)	8,686,459.00

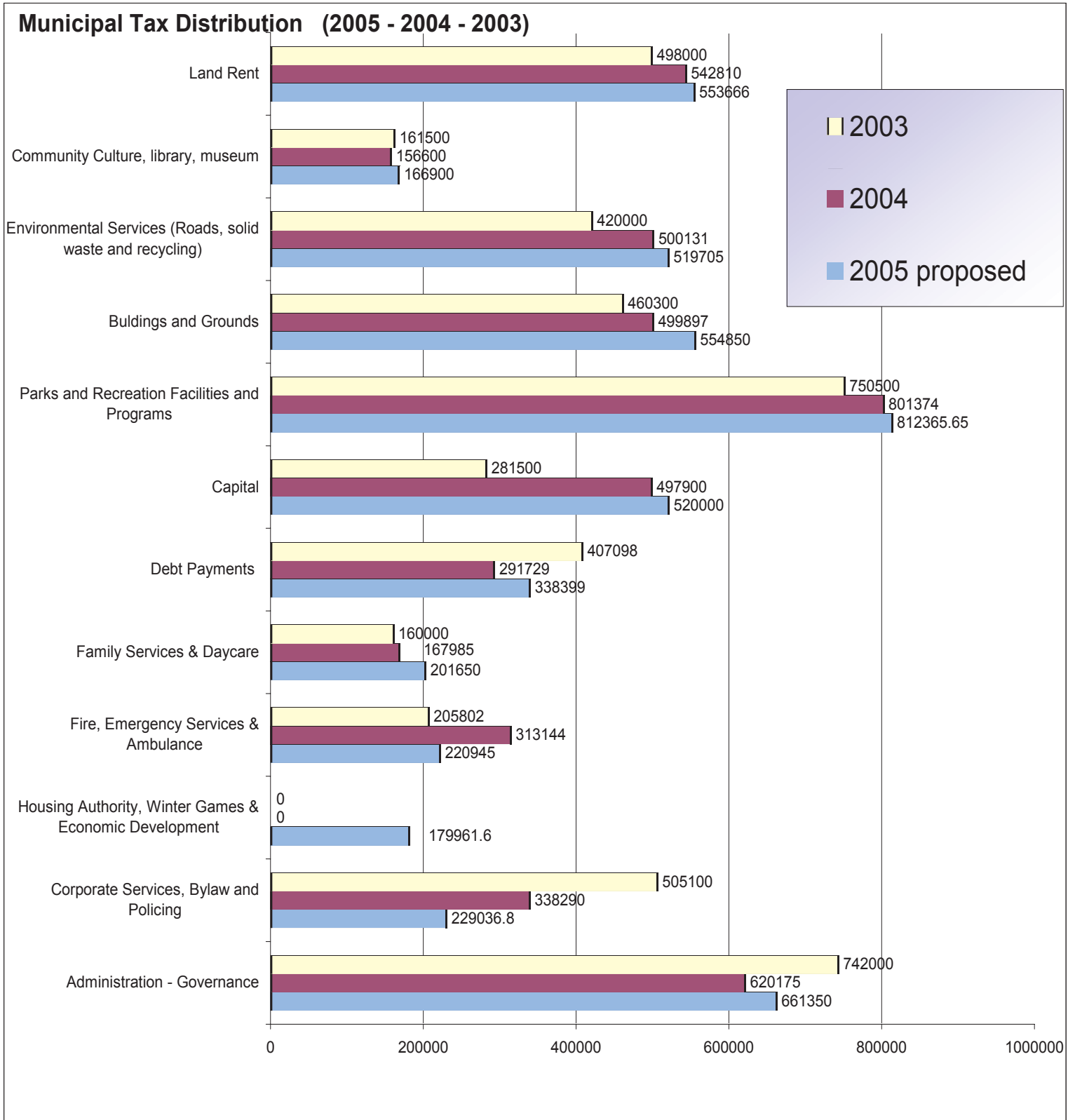
Sources of Revenue



Operating Budget Expenses



How taxes are spent



Five Year Capital Plan

Goals

Complete Capital Plan provided to electors during the "YES" vote.

- Maintain infrastructure with an adequately funded recapitalization program
- Acceptable amount of Debt
- Acceptable Municipal taxes and user fees
- Address needs identified in the Facility Review and Green Space Plans

Need for Projects Identified

- In Reid Crowther Report
- In Green Space Plan
- By Mayor, Council & Staff
- To comply with environmental and regulatory requirements.
- In the Facility Review

Capital Plan Progress Report

10 Year Capital Plan Summary Guide to the Governance Agreement - July 2001

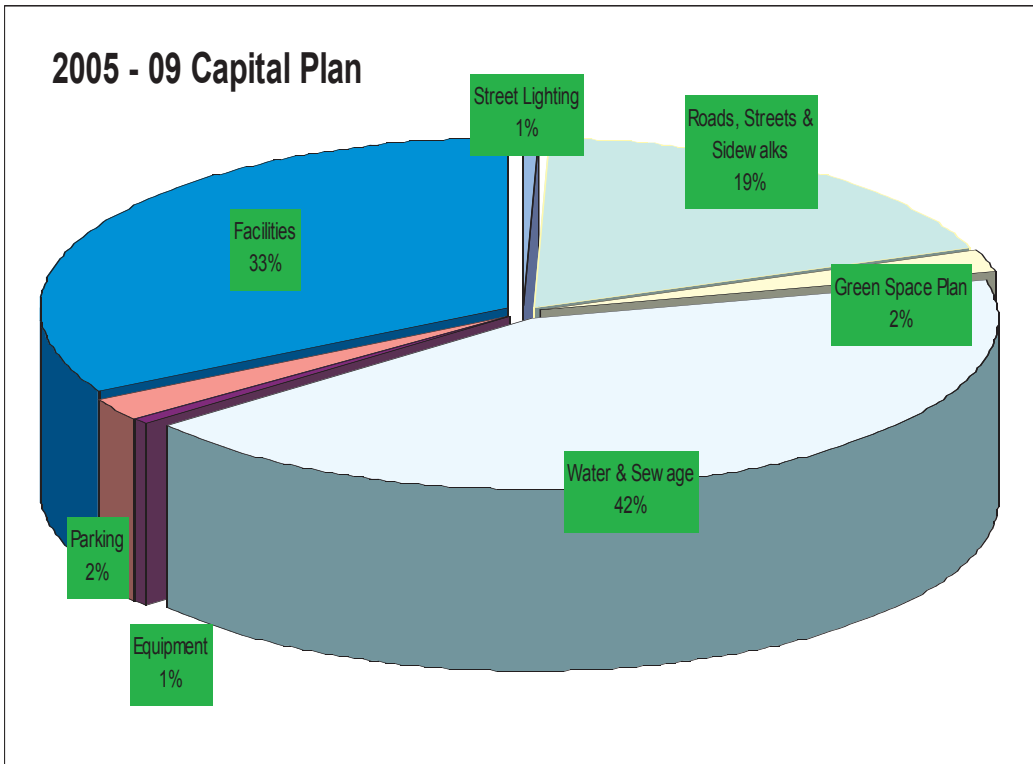
Fire Trucks	1,000,000
Mobile Home Equipment	1,600,000
Fire Ambulance Facility	3,000,000
Sewage Treatment Plant	12,000,000
Roads, Streets and Sidewalks	5,230,000
Water Supply and Distribution	2,975,000
Sanitary & Storm Sewer System	4,324,000
Street Lighting	1,094,000
Buildings and Grounds	3,098,000
Total	34,321,000

Progress on Capital Plan 2001 - 2004

Completed - 2003	1,000,000
Purchases to date	65,000
Completed- 2003	3,200,000
Completed - 2003	12,000,000
Elm, Turret, Robson and Lane	1,500,000
Mobile Home Project	2,300,000
Gravity Line Completed 2003	1,100,000
Outstanding	
Public Works Building	1,600,000
Total	23,350,000

2005 - 2009 Proposed Capital Plan

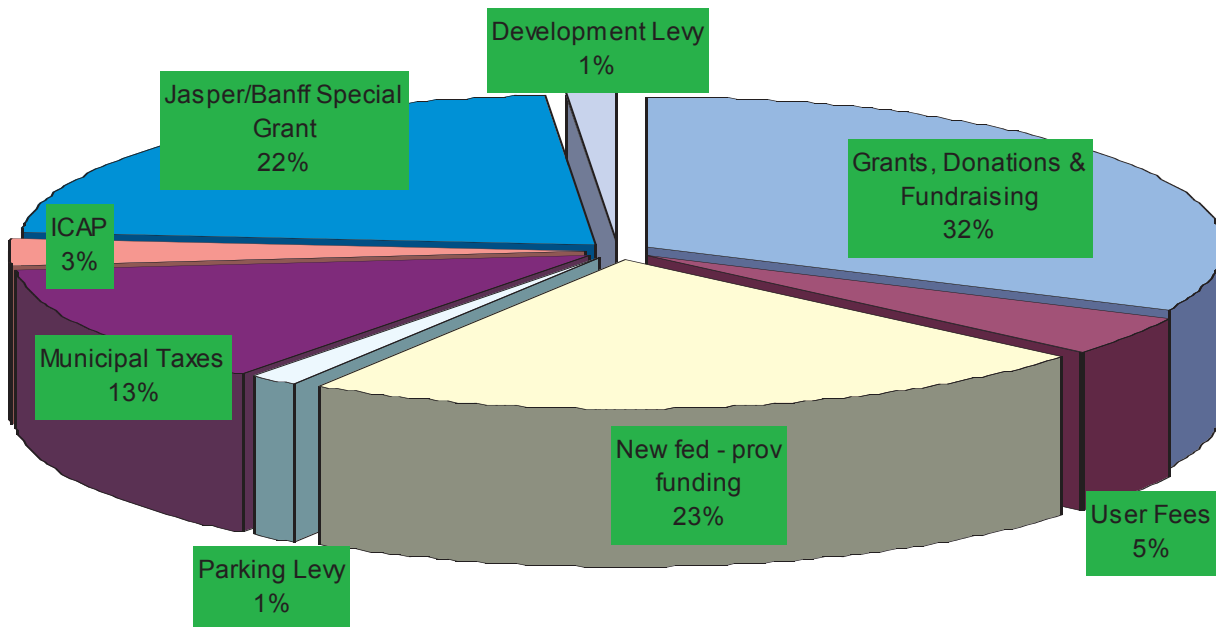
2005	6,566,000
2006	3,371,000
2007	4,687,000
2008	3,177,000
2009	2,729,000
Total	\$20,080,000



2005 - 2009 Capital Plan

Green Space Plan	431,000
Roads, Streets & Sidewalks	3,745,000
Facilities	6,642,000
Water & Sewage	8,574,000
Mobile Equipment	110,000
Parking	450,000
Street Lighting	128,000
Total	20,080,000

Source of Funds



Source of Funds Grants & Fundraising

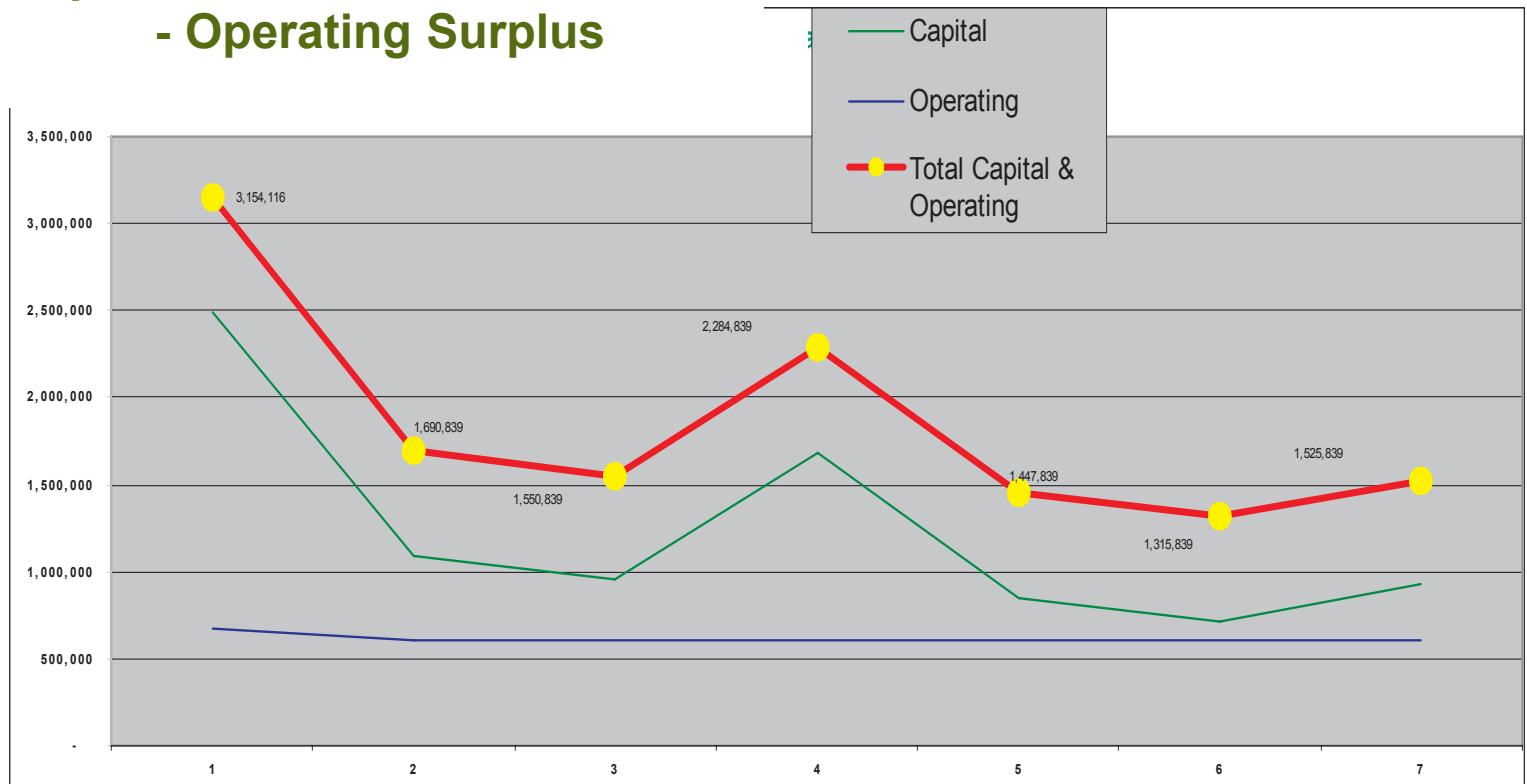
Fuel Tax - Road Grant	\$500k/year	6,335,000
New Provincial & Federal Funding & Other		4,500,000
Jasper/Banff Special Grant	\$875/year	4,475,000
Municipal Taxes	\$525k/year	2,600,000
User Fees		905,000
ICAP		600,000
Parking Levy	\$50k/year	250,000
Development Levy	\$50k /year	250,000

Capital Reserves / Operating Surplus

Policy D-BD Minimum Reserve / Accumulated Surplus to be \$1000,000

	Capital	Operating	Total Capital & Operating
2004	2,486,494	667,622	3,154,116
2005	1,090,839	600,000	1,690,839
2006	950,839	600,000	1,550,839
2007	1,684,839	600,000	2,284,839
2008	847,839	600,000	2,284,839
2009	715,839	600,000	1,315,839
2010	925,839	600,000	1,525,839

Capital Reserves - Operating Surplus



Debt

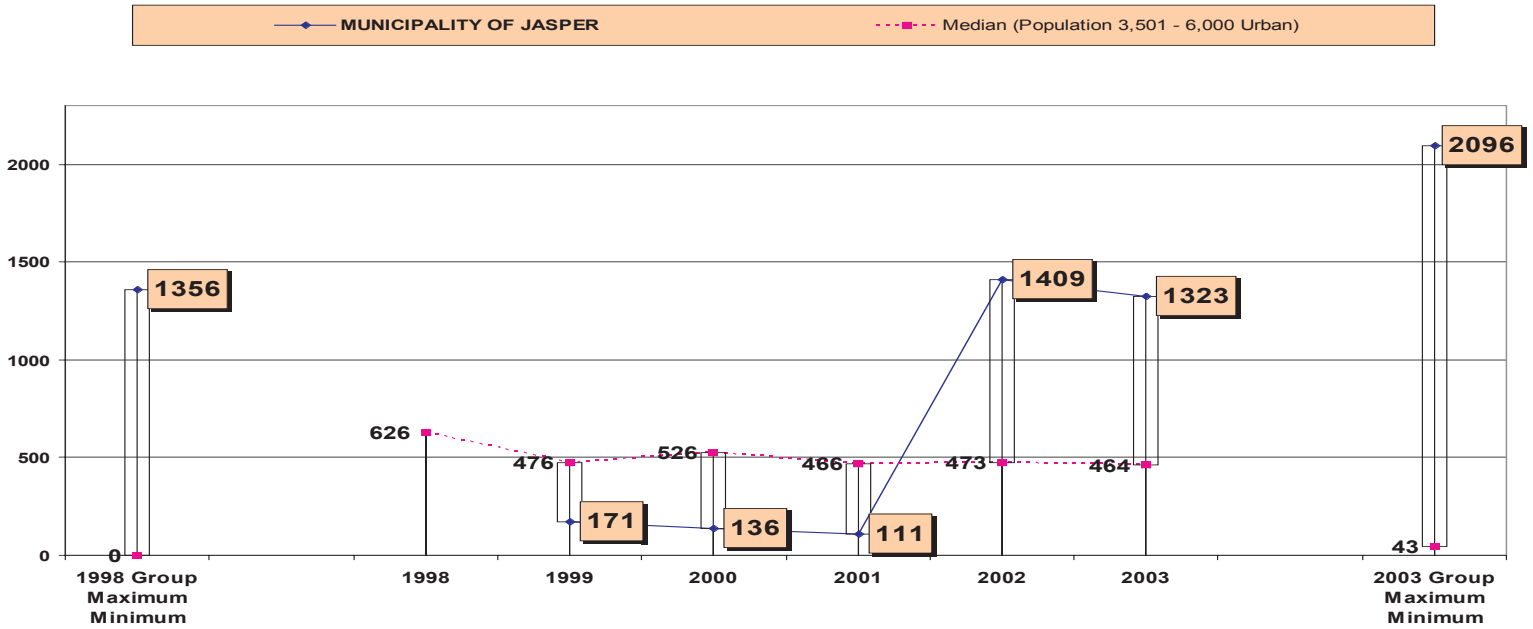
- No new additional debt is being proposed in the 2005 - 2009 Capital Plan This is due to the fact that the Municipality has borrowed over \$8 Million over the past three years, in order to bring the sewage treatment operations into compliance and construct a new emergency services centre to meet those needs.

- This has resulted in the Municipality having a high per capita level of debt.

Debt per Capita

The Municipality of Jasper has a high per capita Debt Information from the Province of Alberta Financial Indicator report 2003.

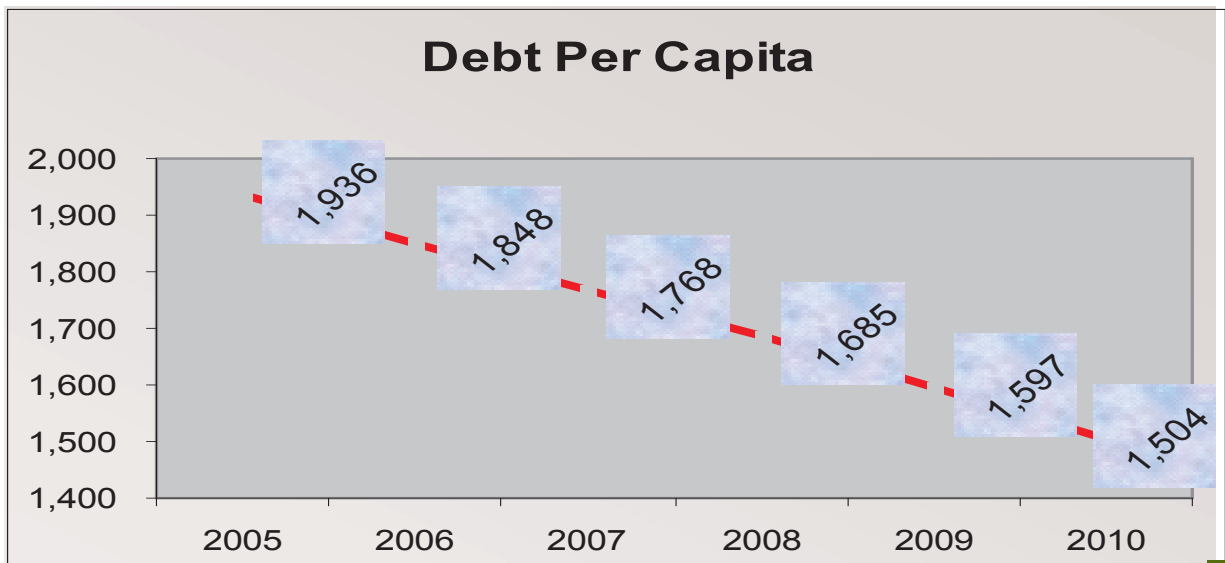
Long Term Municipal Debt Per Capita



Note : Long term debt associated with excluded functions (gas and/or electricity) is not included.

Debt

Project	Year of Borrowing	Term	Principal Owning – January 2005
Aquatic Centre	1989	15	60,478
Aquatic Centre – Boilers	2004	5	81,000
Emergency Services Building	2001	15	1,457,127
Sewage Treatment Plant	2001	20	3,767,238
Sewage Treatment Plant	2001	20	2,639,327
Public Works Building	2004	15	1,000,000
Total Debt as of January 2005			9,005,170



Recapitalization Program

- \$170,000 per year from taxation for the Culture and Recreation Facilities.
- \$72,000 per year from taxation for the Fire and Emergency Services Department
- \$150,000 per year from user fees for Environmental Services (Utilities).

Proposed Allocation of Jasper - Banff Infrastructure

