



# VULCAN COUNTY

## ANNUAL BUDGET REPORT 2024

FOR THE YEAR JANUARY 1 TO DECEMBER 31, 2024  
VULCAN COUNTY, ALBERTA, CANADA



**Vulcan County**  
Box 180, 102 Centre Street  
Vulcan, Alberta T0L 2B0  
[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca)





Realizing opportunity and  
growth through collaborative leadership  
and accessible administration.  
*- Vision Statement*

Through proactive municipal leadership  
and partnerships, we will balance  
traditional planning with innovation  
to realize economic development and  
community growth for  
future prosperity.  
*-Purpose Statement*

Save Paper, view our report online.

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in your PDF reader.







# ANNUAL BUDGET REPORT

# 2024

2024 BUDGET - APPROVED MAY 1, 2024

FOR FISCAL YEAR ENDED DECEMBER 31, 2024  
VULCAN COUNTY, ALBERTA, CANADA

PREPARED BY VULCAN COUNTY  
CORPORATE SERVICES DEPARTMENT  
JULY 2024

Box 180, 102 Centre Street  
Vulcan, Alberta, Canada T0L 2B0  
[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca)





# Welcome to Our Budget Report



It is our pleasure to submit Vulcan County's 2024 Annual Budget Report.

The purpose of the Annual Budget Report is to provide our community with a clear and transparent insight into the development of our budget. It also provides an opportunity to analyze and comment on the budget highlights, the information of the County, and the outlooks for the future.

## READER'S GUIDE 101

The intention of this document is to provide Council and the Ratepayers of Vulcan County the details and factors that influence the development of the operating and capital budget.

A comprehensive overview of the budget, operating segments/departments, and capital will be provided in this document.

This overview outlines the strategies, priorities, and issues that Vulcan County faced during the development of the budget.



## BUDGET REPORT SECTIONS

### **1) Introduction to the Budget Report**

Provides an overview of the budget process/guidelines, profile of the County, and describes the strategic plan and priorities.

The budget overview will allow the reader to obtain an understanding of expenditures of the County and the sources of funding that support the County's operations and capital needs.

This will be provided on a high-level basis. The detail within this report will support the summaries provided in the budget overview.

### **2) Operating Budget**

The operating budget provides resources for the ongoing day-to-day costs of delivering the municipal services to the County's ratepayers.

The operating budget gives details on the types of operating revenues, expenditures, and transfers in the budget. These details will be provided for all types of revenue and expense.

The operating segments are the major groups of similar departments and activities. These include: General Government, Protective Services, Transportation Services, Agricultural Services, Planning & Development Services, Community Services, and Utility Services.



## BUDGET REPORT SECTIONS - Continued

### 3) Capital Budget, Reserves, & Debt

The capital budget deals with the costs to purchase or construct new infrastructure and invest in long-term fixed assets required for day-to-day operations (including road/bridge construction, graders and equipment, and vehicles).

This Section provides details on the capital requirements of the County, including all acquisitions and funding sources. This section also provides details on the County's operating/capital reserves and related debt.

### 4) Appendix and Glossary

Provides extra information and a list of definitions that are used throughout the budget report.

The Appendix includes:

- The Approved Operating & Capital Budgets
- Infographics & Charts
- Statistics & Ratios
- Financial Indicators & Performance Measures



As shown above in the pencil infographic, the Budget Reporting is divided into six (6) major sections:



Introduction  
& Overview



Operating  
Revenues



Operating  
Expenses



Segment  
Reporting



Capital Budget,  
Reserves, &  
Debt



Appendix &  
Glossary

*Click the Icons to go to the related section*



## *Budget Message from the County's Reeve*

The development and adoption of the County's Annual Operating and Capital Budgets are some of the most important decisions for Council and outlines the operations and services provided by the County to its ratepayers.



**Jason Schneider**  
County Reeve

The County's vision, mission statement, and values guide the development of the Strategic Plan and provides the "blueprint" for the future. Putting the right strategy together and developing a clear action plan for effective implementation is vital to the success of Vulcan County. The approved budget must reflect and work towards the goals and priorities outlined within the Strategic Plan.

Council has made it a priority to make Vulcan County an attractive place to invest in and to diversify the economy. Vulcan County remains focused on balancing the interests of agricultural producers, with a diverse range of residential, recreational, and business opportunities in our communities. We will strive to provide an atmosphere to foster economic growth and development so long as the development will be a positive contribution to the financial and/or social wellbeing of the County.

Budget 2024 is the 2nd year in a row that the County was able to have significant general municipal tax rate reductions including a 31.67% reduction (2023 - 40.00% reduction) in the general municipal residential tax rate and a 4.45% reduction (2023 - 5.50% reduction) in the general municipal non-residential tax rates to support with the County's priority in maintaining competitive tax rates while trying to further increase the assessment base and diversification. To support in this goal, the County is also in process of completing the development of a new industrial park and has continued to bring in new businesses into the County.

Vulcan County Council is confident in the 2024 Operating and Capital Budgets and that Vulcan County is well-situated to ensure its long-term viability.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Jason Schneider'.

Jason Schneider  
Reeve





## Budget Message from the County's CAO

On May 1st, 2024, Vulcan County Council approved the 2024 operating and capital budgets. Together, these documents provide a roadmap for the year ahead and ensure the necessary funding for various County departments to administer the services that ratepayers expect.



**Nels Petersen**  
Chief Administrative  
Officer (CAO)

The budget process is an opportunity for Council and Administration to review the ever-changing environment of the County, while ensuring that the County provides appropriate levels of service. The County utilizes a 3-year operating plan and a 5-year capital plan, in addition to a larger 20-year capital plan. These plans were borne out of the recognition that long-term planning leads to greater stability. This planning also helps secure funding for the County's capital replacement requirements, which can vary greatly from one year to the next. Finally, municipal tax rates fluctuate far less when a long-term perspective is utilized.

In the weeks and months leading up to budget approval, County Council and Administration considered feedback from stakeholders within the County, the current economic climate, and the County's strategic plan when determining its objectives for the year.

In 2023, one of the largest solar projects in Canada (Travers Solar - 465-Megawatt production capacity) was completed and commissioned. Consequently, 2024 will be the first year this project is fully assessable (a supplemental assessment in 2023 was utilized to capture a partial year assessment). This linear assessment growth has allowed the County to cover the required inflationary cost increases, maintain service levels, and reduce overall tax rates. Increasing investment in economic growth and diversity within the region is a priority in the strategic plan, which will support the growth of the assessment base. The reductions in the overall tax rates were included within the strategic planning as part of a multi-year analysis of projected assessments and tax rates. For 2024, this included a 31.67% reduction in the general municipal residential tax rate and a 4.45% reduction in the general municipal non-residential tax rate. This marks a further decrease in general municipal tax rates, following reductions in 2023, making it the second year in a row with tax rate reductions.

Vulcan County strives to ensure its annual municipal budget is as open and transparent as possible, maintaining accountability to the community and its ratepayers. To further improve the transparency of the County's annual municipal budget, we have developed this Budget Report to provide additional details on the operating and capital budgets, guidelines for how the municipal budget is prepared, and other details relating to the budget process. We hope that this report assists you in understanding the municipal budget and the process that creates it.

It is my pleasure to serve this community and assist in the development of plans that will help ensure its long-term viability.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Nels Petersen', written over a light blue grid background.

Nels Petersen  
Chief Administrative Officer





## **Budget Presentation Recognition**

### **Government Finance Officers Association of the United States and Canada (GFOA)**

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Vulcan County, Alberta for its annual budget for the year beginning January 1, 2023.



In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

A Distinguished Budget Presentation Award is valid for a period of one year only. We believe our current budget presentation document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

## **Notes Regarding this Report**

This Annual Budget Report has been designed to act as a resource for the public, local businesses and community, and employees. The purpose of the Annual Budget Report is to provide our community with a clear and transparent insight into the development of our budget. It also provides an opportunity to analyze and comment on the budget highlights, the information of the County, and the outlooks for the future. The 2024 fiscal year representing the period from January 1st, 2024 to December 31st, 2024.

*The electronic/PDF copy of this report is designed to be interactive for the readers of the report. The table of contents are hyperlinked to the related sections. The side tabs, as shown later in this report, are hyperlinked to the start of the related sections. There are also hyperlinks throughout the report to the County's website, social media, and other sources to provide the reader additional information. The PDF copy also maintains comprehensive electronic bookmarks on each of the major sections and sub-sections of the report.*





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Vulcan County  
Alberta**

For the Fiscal Year Beginning

**January 01, 2023**

*Christopher P. Morill*

**Executive Director**





## **Vulcan County**

### **2024 Annual Budget Report**

### **Condensed Table of Contents:**

*The following is a condensed table of contents for the County's Annual Budget Report including all of the major sections and categories of the report. A detailed table of contents is also included on the cover pages of each of the major sections.*

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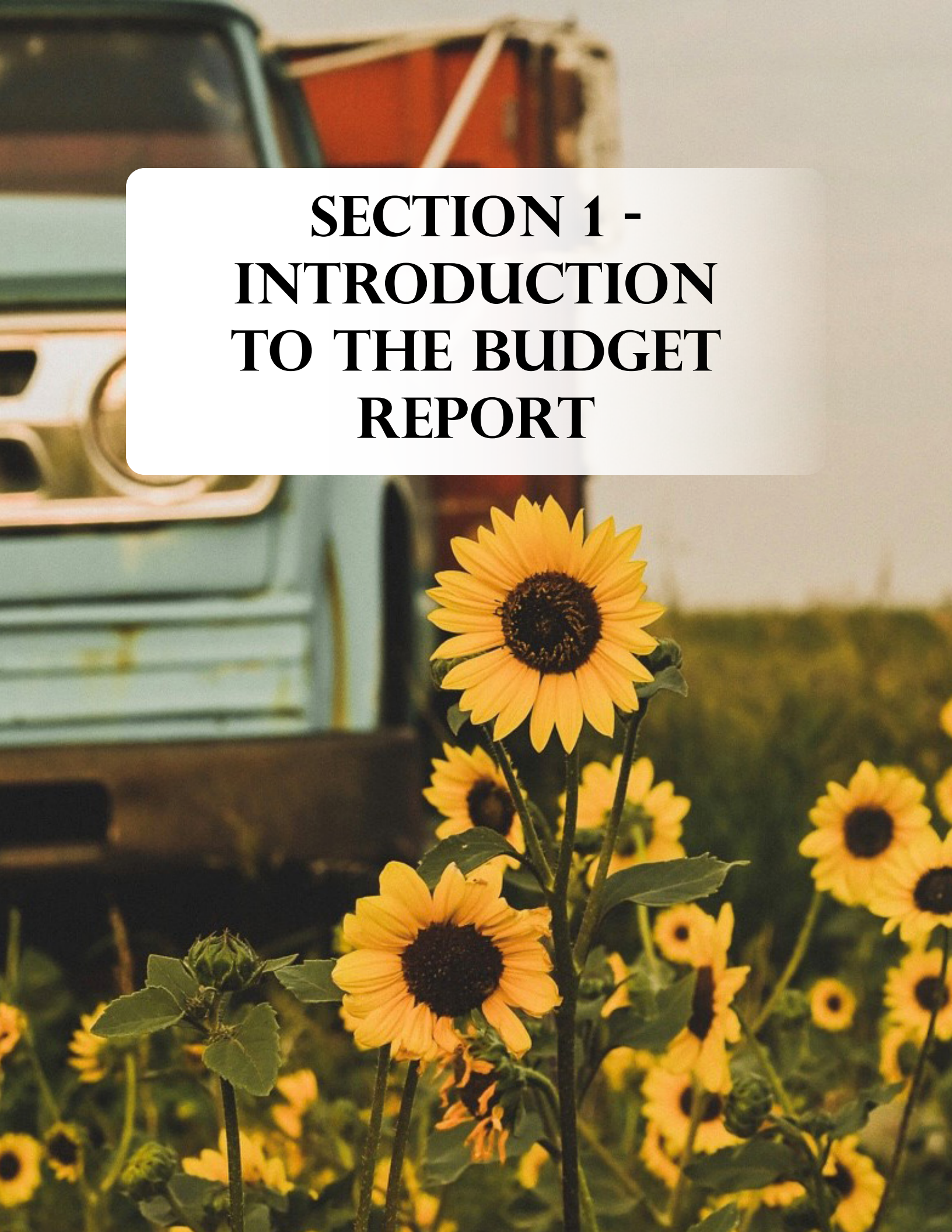
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The background of the slide features a field of bright yellow sunflowers with dark brown centers. In the upper left, a portion of a blue and red structure, possibly a building or a vehicle, is visible but out of focus. The overall lighting is soft, suggesting a late afternoon or early morning setting.

# **SECTION 1 - INTRODUCTION TO THE BUDGET REPORT**



## Section 1 - INTRODUCTION TO THE BUDGET REPORT

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Introductory



Operating Budget



Capital & Reserves



Appendix & Glossary





# BUDGET OVERVIEW



At the May 1st, 2024 regular Council meeting, County Council approved the 2024 Operating and Capital Budgets. The following is a summary of the 2024 Operating and Capital Budgets, including the prior year comparison and a reconciliation with the related reserves and capital transfers:

## Vulcan County Budget Overview

### REVENUE:

	Budget 2024	Budget 2023	Change
Net municipal taxes	\$ 17,168,356	\$ 15,555,033	1,613,323
Government transfers - operating	1,015,543	928,671	86,872
Return on investments	726,824	576,824	150,000
Sale of goods, services, and user charges	949,002	1,334,250	(385,248)
Rental Income	320,680	321,980	(1,300)
Community aggregate levy	142,912	140,110	2,802
Penalties and costs of taxes	130,000	194,000	(64,000)
Other revenue	11,500	28,000	(16,500)
	<b>\$ 20,464,818</b>	<b>\$ 19,078,869</b>	<b>\$ 1,385,949</b>

### EXPENSES:

Salaries, wages and benefits	\$ 9,312,253	\$ 8,226,494	1,085,759
Contracted and general services	3,370,418	3,094,795	275,623
Materials, goods and utilities	3,291,582	3,240,880	50,702
Transfers to local boards and agencies	2,025,374	2,015,092	10,282
Interest and bank charges	42,068	45,142	(3,074)
Amortization of tangible capital assets	4,877,771	4,818,615	59,156
Machine expenses capitalized for construction	(2,134,920)	(2,066,788)	(68,132)
Loss on disposal of tangible capital assets	-	-	-
Other expenses	264,021	40,163	223,858
	<b>\$ 21,048,567</b>	<b>\$ 19,414,393</b>	<b>1,634,174</b>

### OPERATING SURPLUS (DEFICIT)

**(583,750) (335,524) (248,225)**

### OTHER

Government transfers - capital	2,234,582	2,474,235	(239,653)
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### ANNUAL SURPLUS (DEFICIT)

**\$ 1,650,832 \$ 2,138,711 (487,878)**

### RESERVE AND CAPITAL TRANSFERS:

Capital Acquisitions	(7,676,408)	(8,230,879)	554,471
Disposal of Capital	-	500,000	(500,000)
Transfer from Reserves - Capital	3,294,906	3,951,025	(656,119)
Transfer to Reserves - Capital	-	-	-
Transfer of Amortization	4,877,771	4,818,615	59,156
Transfer of ARO Accretion	20,046	-	20,046
Transfer of Gain/Loss on disposal	-	-	-
Transfer from Reserves	1,527,204	1,000,595	526,609
Transfer to Reserves	(3,694,351)	(4,178,067)	483,716
Transfer to Capital Functions - Operating	(2,146,920)	(1,305,619)	(841,301)
Transfer from Operating Functions - Capital	2,146,920	1,305,619	841,301
Transfer to Other Functions & Inventory	-	-	-
Transfer of Principal Repayment	-	-	-
	<b>(1,650,832)</b>	<b>(2,138,711)</b>	<b>487,879</b>

### TOTAL NET EFFECT ON ACCUMULATED SURPLUS

**\$ - \$ - \$ -**



A comparison of the current and prior year property assessment figures is shown below. The different classes of property all saw changes, but the net impact was an increase to the County's assessment base:

	2024 Assessment	2023 Assessment	% change Assessment
Residential	672,341,060	574,714,680	16.99%
Commercial & Industrial	128,267,030	117,619,200	9.05%
Farmland	205,080,940	205,106,450	-0.01%
Machinery & Equipment (M&E)	77,381,400	78,620,730	-1.58%
Linear	1,097,080,090	634,671,090	72.86%
	2,180,150,520	1,610,732,150	35.35%
Supplementary	-	200,000,000	-100.00%
	<b>2,180,150,520</b>	<b>1,810,732,150</b>	<b>20.40%</b>

As shown above, the County had an approximate 20.40% increase in taxable assessment; whereas, the County had a significant increase in linear assessment with one of the largest solar projects in Canada (Travers Solar - 465 Megawatt production capacity) recently being completed and commissioned within the County. The total taxable assessment from this solar farm and other linear growth was a total of \$462.4 million or 72.86% (excluding the estimated supplementary assessment from the prior year). There was also a 16.99% increase in overall residential assessment; whereas, the vast majority of this increase related to inflationary increases.

As part of the County's Strategic Planning, Council and Administration reviewed many different scenarios and analysis, including comparing tax rates and assessment to neighboring and other comparable municipalities during the budget process. This is done in an effort to ensure Vulcan County's rates are competitive while still addressing the unique needs of the County. Although there were many challenges with Budget 2024, including inflationary costs that have a large impact on the County, the County was able to minimize these costs as much as possible and able to utilize assessment growth to strategically achieve further tax rate reductions for 2024, including a 31.67% reduction in the general municipal residential tax rate and a 4.45% reduction in the general municipal non-residential tax rates. This is the 2nd year in a row that the County was able to significantly reduce the general municipal tax rates; whereas, in 2023 there was also a 40.00% reduction in the general municipal residential tax rate and a 5.50% reduction in the general municipal non-residential tax rates.

Some departments saw a surplus in prior years, and those surpluses have been placed in reserve to be drawn on over the next few years which will help mitigate any fluctuations in revenue requirements. The County was also able to maintain its 20-year capital plan (funded by capital reserves and projected reserve transfers).



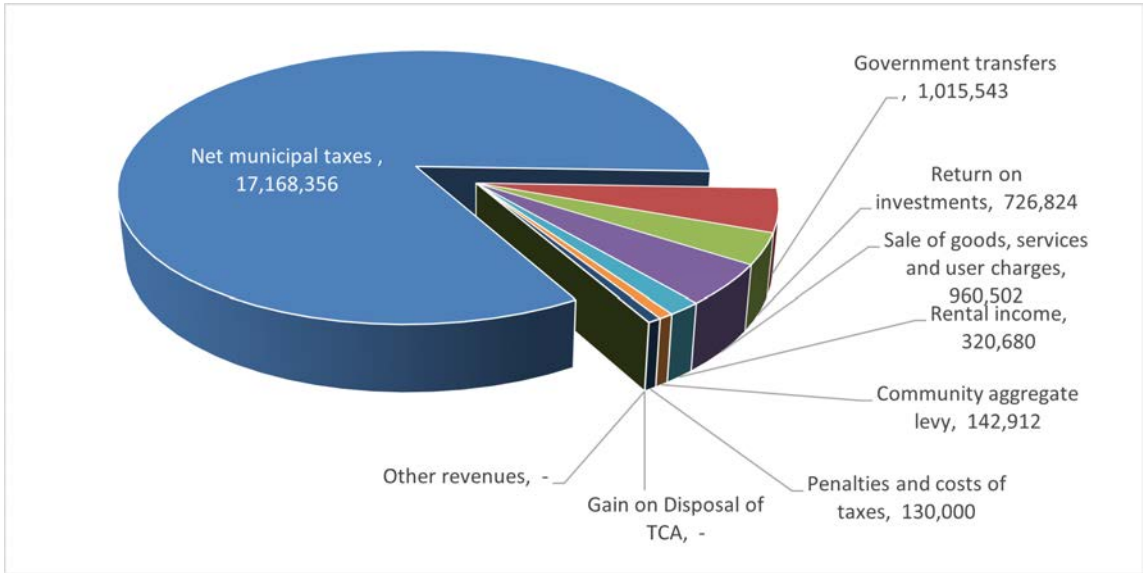
[See Appendix 1 for the 2024 Approved Operating and Capital Budget](#)



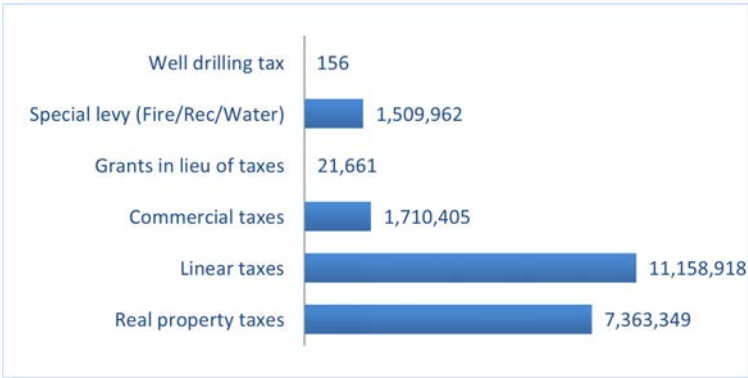
**OPERATING BUDGET:**

The County has budgeted \$20.46 million in operating revenues (net of requisitions) and \$21.05 million in operating expenses including amortization. After transfers to/from reserves and capital, there is a no budgeted operating surplus.

The County’s operating revenues consist mostly of tax revenues (84%, net of requisitions). The remaining 16% is made up of other sources of income (i.e. operating grants, investment income, user fees, etc.).



Of the municipal taxes, the largest components include linear taxes (pipeline, wells, energy, etc.) totaling approximately 51% and real property taxes (residential, farmland, machinery & equipment, etc.) totaling 34%:



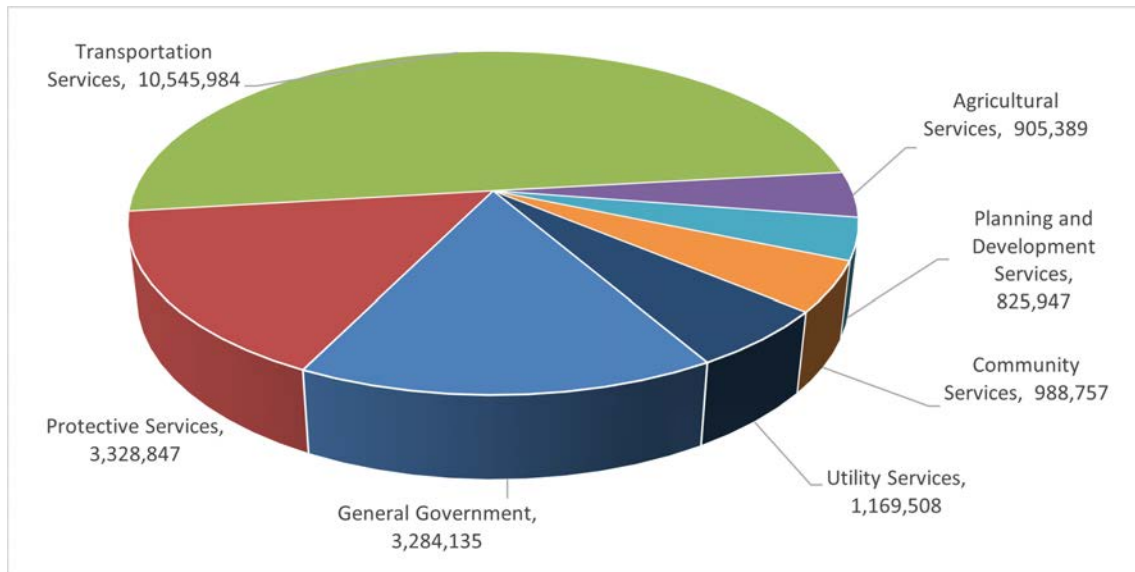
**SIGNIFICANT CHANGES IN REVENUES:**

- Taxes (Net of Requisitions) increased due to increases in linear assessment value, which generated higher total taxation revenues, even with the reductions in the residential and non-residential general municipal tax rates.
- Operating grants slightly increased from prior year as the AG Service Board Grant increased significantly from the prior year and there were additional fire protection services grants for Search & Rescue and Medical First Responder programs.
- Return on Investment increased significantly due to higher interest rates available on investments (with increases in the bank’s Prime Rates and locked in investment rates).
- Sales of Goods, Services & User Charges decreased as the prior year included a large land sale of \$352,000 and some department-level cost and recovery charges.
- Penalties and cost of taxes decreased from the prior year as the County has had a higher rate of collection of tax balances in the last couple years.





The following are the budgeted operating expenses (including amortization) for each of the County's major operating segments and by the type of the expenses:

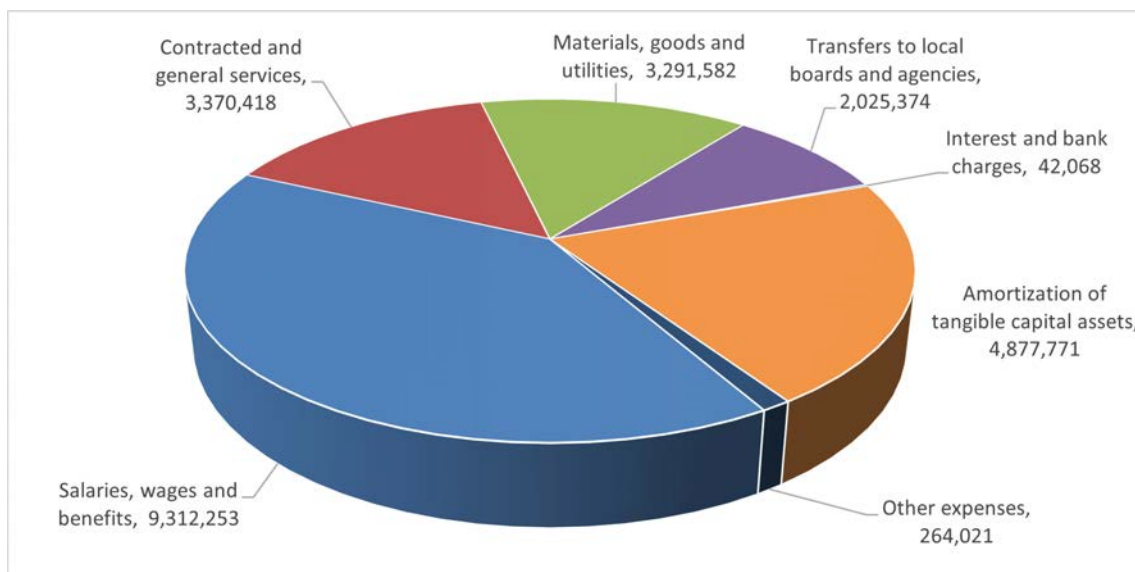


#### Expenses - by type/object

Salaries, wages and benefits	9,312,253	40.2%
Contracted and general services	3,370,418	14.5%
Materials, goods and utilities	3,291,582	14.2%
Transfers to local boards and agencies	2,025,374	8.7%
Interest and bank charges	42,068	0.2%
Amortization of tangible capital assets	4,877,771	21.0%
Other expenses	264,021	1.1%
	<u>23,183,487</u>	
Machine expenses capitalized for construction	<u>(2,134,920)</u>	
	<b>21,048,567</b>	

#### Expenses - by segment/department

General Government	3,284,135	15.6%
Legislative	583,963	
Administration	2,476,843	
Other General	223,329	
Protective Services	3,328,847	15.8%
Transportation Services	10,545,984	50.1%
Agricultural Services	905,389	4.3%
Planning and Development Services	825,947	3.9%
Community Services	988,757	4.7%
Family and Community Services	219,763	
Parks and Recreation	726,618	
Tourism and Economic Development	42,376	
Utility Services	<u>1,169,508</u>	5.6%
	<b>21,048,567</b>	





**SIGNIFICANT CHANGES IN EXPENSES:**

- Salaries and Benefits increased with an overall staffing increase, staffing grid movements and Cost of Living Adjustment (COLA) increase to the related salary grids. There was a 4.04 Full-Time Equivalent (FTE) increase from the prior year and the 2024 wage grids had a 4.28% COLA increase and market adjustments on certain specific positions.
- Contracted Services increased from the prior year as there was increases in building maintenance for the Tri-Services building (reserve funded) and vehicle/equipment repairs in the Transportation department. There were increases in insurance costs with market increases. The County is also supporting the 2024 ORTHO mapping project (reserve funded) in combination with multiple other municipalities.
- Materials, Goods & Utilities remained relatively consistent with the prior year; whereas, there was an increase in gravel costs as the County is now paying the estimated pit fee royalties on an annual basis (compared to at time of gravel crushing) based on the updated agreements.
- Grants to Boards & Agencies increased from the prior year as there were increases in funding provided to the Waste Commission and an overall increase to the recreation/cultural funding, including additional funding for the Lomond Community Center (partially reserve funded) which is somewhat offset since the prior year funded the Vulcan Arena Resurfacer.
- Other expenses increased significantly from the prior year with an increase in the projected tax write-offs of insolvent oil and gas companies (that still have taxable linear assessment - from the Provincial assessor) and the addition of the Asset Retirement Obligation (ARO) accretion expenses as the ARO standards were adopted for the 2023 fiscal year.

**CAPITAL BUDGET:**

The capital budget pertains to the construction and acquisition of capital assets. The majority of engineered structures relate to the construction of roads and bridges throughout the County.

The capital budget is funded by a combination of capital grants, reserve funding, operating transfers, and sale of capital assets no longer in use.

The majority of funding for capital assets is from capital grants and capital reserves. It is budgeted that approx. \$2.23 million will be funded by capital grants and \$3.29 million funded by capital reserves. There are \$2.13 million of operating machine expenses capitalized for construction (internally constructed projects) which is included in the net transfers from operating function (net between capitalized costs and relates operating funding transfers).

Some of the major capital acquisitions include the completion of the Industrial Park, road & bridge projects, phase 2 of the Mossleigh Drainage Project (carryforward from 2023), County Building Design project, purchase of 2 graders with attachments, and other vehicle/equipment replacements.





# The Pieces of the County's Budget

**Emergency  
& Protective  
Services**  
\$3.79 million  
(13.95%)

**General  
Services**  
\$1.19 million  
(4.40%)

**Health &  
Social Services**  
\$344,100  
(1.27%)

**Public Utilities  
(Waste/Water)**  
\$1.14 million  
(4.21%)

**Agricultural  
Services**  
\$789,500  
(2.91%)

**Transportation  
Services**  
\$10.65 million  
(39.21%)

**Planning &  
Development**  
\$938,900  
(3.46%)

**Recreation &  
Culture**  
\$849,200  
(3.13%)

**Legislative**  
\$584,000  
(2.15%)

**Administration**  
\$2.28 million  
(8.38%)

**School,  
Senior & Other  
Requisitions**  
\$4.60 million  
(16.94%)



## COUNTY PROFILE



Vulcan County is a rural municipality within Southern Alberta with a population of approximately 4,237 and is conveniently located one hour from both Calgary and Lethbridge. The County covers an area of 563,420 hectares and encompasses the following:

- Town of Vulcan
- Villages of Carmangay, Champion, Lomond, Milo, and Arrowwood
- Hamlets of Brant, Ensign, Kirkcaldy, Shouldice, Queenstown, Mossleigh, Herronton, and Travers

Vulcan County is a municipal government entity established under authority of the Municipal Government Act; whereas, the County is chosen by and is accountable to the local community by means of local elections (elected County Council).

### Geographical Location

Vulcan County is a rural municipality located within Southern Alberta.

**Major Highways:**  
Highway 23 & 24

**Secondary Highways:**  
Highway 529, 531, 534, 539, 542, 547, 804, 842, 845

**Distance to Major Areas:**  
- 129 km (81 miles) to Calgary  
- 94 km (59 miles) to Lethbridge  
- 200 km (125 miles) to Coutts / Sweetgrass USA Border Crossing





# Welcome to Vulcan County



## County Services

Vulcan County provides a number of services to its residents, either directly or jointly with other municipalities and commissions. These services include the following:

- **General Government** - includes legislative and administrative matters, including Council expenditures and administration costs required to operate Vulcan County. Activities within General Government include: general municipal expenditures, Council expenditures, financial statement preparation and reporting, accounts receivable and payable, payroll, information technology, geographical information systems (GIS), and property assessment and taxation.
- **Protective Services** - is comprised of emergency management, health and safety, bylaw enforcement and fire services. This department prepares and coordinates the Municipal Emergency Plan and related plans and programs. The Protective Services department administers the fire districts within Vulcan County, ensuring compliance as per the Quality Management Plan. Other services with respect to fire include public education and fire prevention. Bylaw enforcement is provided by Vulcan County's Community Peace Officers.
- **Transportation Services** - is responsible for the delivery of municipal public works services relating to the maintenance and construction of roadways and bridges. This department ensures appropriate agreements are in place (i.e., access agreements, pipeline crossings, road and rural addressing signage, etc.) to minimize liability concerns.
- **Agricultural Services** - provides advice and expertise with respect to weed and pest control, as well as soil and water conservation, and rental of specialized equipment. Working in conjunction with Alberta Agriculture, this department also provides field trials (i.e., insect counts, disease investigations, etc.).
- **Planning and Development Services** - facilitates development in accordance with the Land Use Bylaw as approved by County Council. This department ensures compliance of existing development applications with the Land Use Bylaw, offers recommendations to Council for amendments and assists developers with requirements of area structure plans.
- **Community Services** - including many community service organizations, such as the local Family Community Support Services (FCSS), daycare and public health, tourism and economic development, recreation boards, cultural programs and library boards.
- **Utility Services** - including garbage disposal (with the Vulcan and District Waste Commission) and water services (with Twin Valley Regional Water Commission and Mossleigh Water Coop).



## Economics of the County

The largest industry in Vulcan County is agriculture, encompassing approximately 444,000 hectares of farmland. The County is a member of the Foothills Little Bow Association and is part of the Bow River Irrigation District. There are three operational inland grain terminals in Vulcan County; two just south of the Town of Vulcan, and one southwest of the Village of Carmangay.

Geophysical drilling and pipeline activity have become increasingly important in recent years, with many oil and gas deposits put into production. Likewise, renewable energy is a rapidly growing industry in the County due to our ideal location for wind and solar farms. Some of the largest wind and solar farms in western Canada are situated in the County and provide significant economic benefit to our region and is projected to produce approximately 900 megawatt (MW) of clean energy. There are also additional renewable energy projects being developed.



## Recreation and Attractions

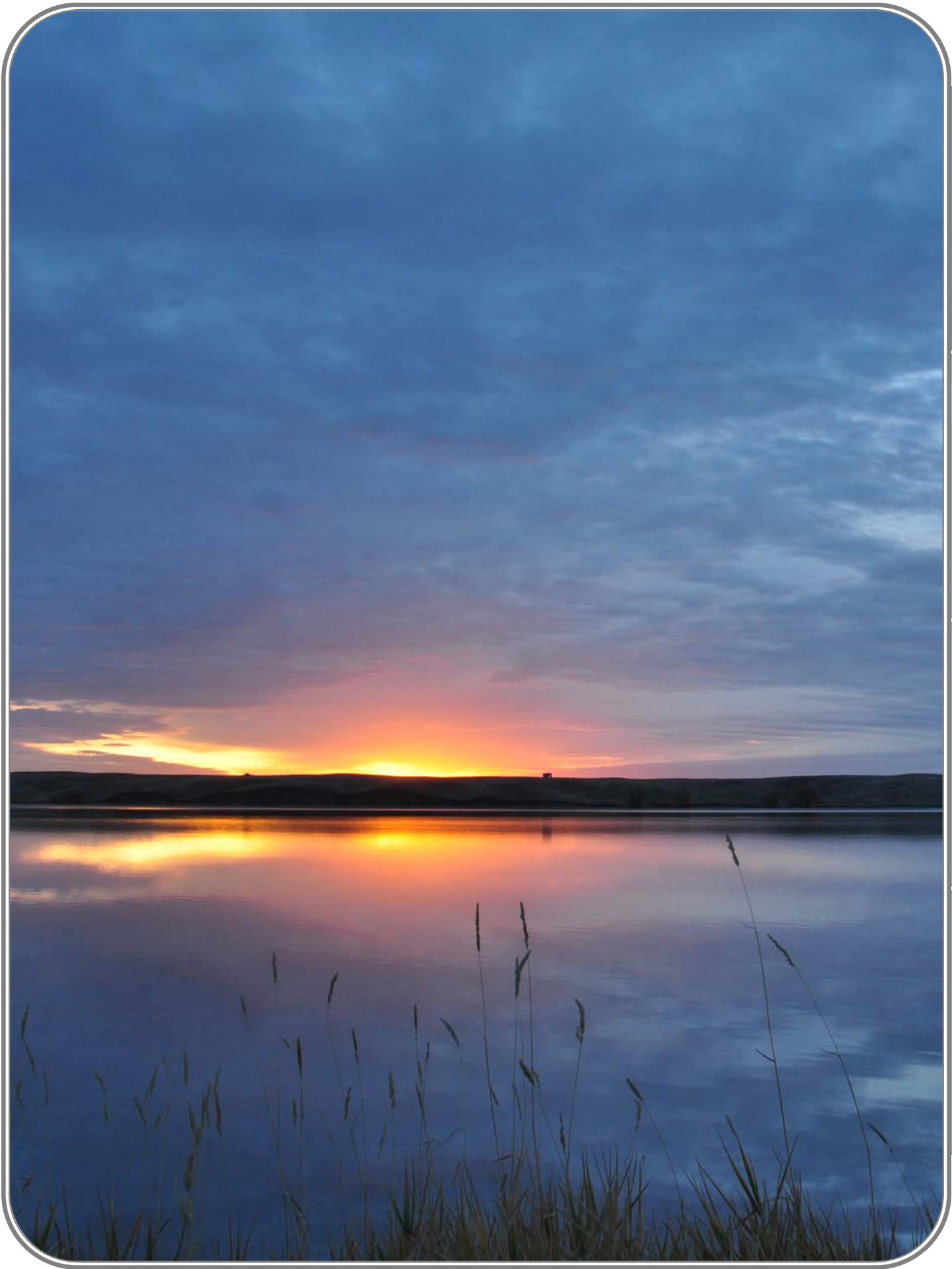


Throughout the County, communities have a wide range of recreational facilities, including playgrounds, community centres, senior citizens drop-in centres, golf courses, ice arenas, swimming pools, and rodeo arenas.

Water recreation areas in the County include the Travers Dam, Lake McGregor, Williams Lake and Badger Lake. Provincial Parks include the Little Bow Provincial Park, Little Bow Reservoir Provincial Recreation Area, McGregor Reservoir Provincial Recreation Area, Travers Reservoir Provincial Recreation area, and the Wyndham-Carseland Provincial Park.

County historical attractions that focus on the First Nations heritage are the Carmangay Tipi Rings, the Majorville Medicine Wheel, and the Sundial Medicine Wheel; while the aviation related attractions include the Royal Canadian Air Force Monument at the Vulcan Industrial Airport.





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# MUNICIPAL GOVERNANCE

## County Council



Vulcan County is governed by a seven-person County Council, which is elected every four (4) years (previously three years) effective for the 2013 elections. All Councillors elected from each of the seven (7) electoral divisions of Vulcan County. The most recent municipal election took place in October 2021.



The County Council (the “Council”) of Vulcan County operates under the authority of the Municipal Government Act (Revised Statutes of Alberta, 2000, Chapter M-26) and policies and regulations pursuant to that legislation.

The position of Reeve and Deputy Reeve are determined at each of the annual Organizational Meetings held in October of each year.

Council holds two types of meetings:

- Council Meetings and Governance
- Priorities Committee Meetings

Council Meetings are more formal and where Council makes the actual decisions on important matters in the community. These Council Meetings are typically held on the 1st and 3rd Wednesday of each month and are always open to the public and media.

Governance & Priorities Committee Meetings are typically less formal and provide Administration opportunities to share information, discuss issues, and obtain direction from Council. This can include, but is not limited to, Budget Committee Meetings and Organizational Meetings.



[Click the Pictures to go to their Profiles](#)

## Vulcan County - Council Members:



**Jason Schneider**  
Reeve / Division 3  
2013-date



**Shane Cockwill**  
Deputy Reeve / Division 2  
2017-date



**Jodie Gateman**  
Councillor / Division 1  
2021-date



**Laurie Lyckman**  
Councillor / Division 4  
2017-date



**Kelly Nelson**  
Councillor / Division 5  
2021-date



**Christopher Northcott**  
Councillor / Division 6  
2021-date



**Doug Logan**  
Councillor / Division 7  
2017-date

Vulcan County Council also establishes a number of policies and bylaws that provide governance on the County and its operations. Click on the binders below:



Council policies layout direction on governance, programs, and services delivered by Vulcan County in order to provide a consistent approach to operations. Council bylaws are the laws established by the County in accordance with the powers delegated under the Municipal Government Act (MGA) by the Province of Alberta.



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# County Administration

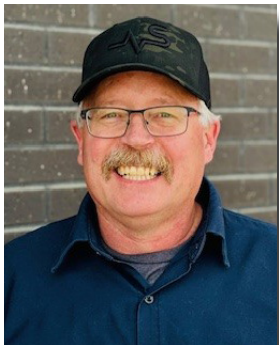


**Nels Petersen**  
Chief Administrative  
Officer (CAO)

The position of Chief Administrative Officer (CAO) is the administrative head of the organization and reports directly to the County Council.

Reporting to the CAO are the four (4) Directors in charge of each of the County's departments and the Managers of Development Services, Engineering & Infrastructure Services, and Legislative Services. The following are the departments of the County:

- **Operations** - department includes road construction, road maintenance, graveling, bridge construction, and fleet maintenance.
- **Corporate Services** - department includes information technology, geographic information systems (GIS), and finance (assessment, taxation, receivables, payables and payroll).
- **Protective Services** - department includes fire protection services and bylaw enforcement.
- **Agricultural Services** - department includes seeding, weed control, spraying, pest control and agricultural rentals.



**Mike Kiemele**  
Director of  
Operations



**Mark DeBoer**  
Director of  
Corporate Services



**Doug Hendricks**  
Director of  
Protective Services



**Deanna Heather**  
Director of  
Agricultural Services



**Anne Erickson**  
Manager of  
Development Services



**Nathan Forsyth**  
Manager of  
Engineering & Infrastructure



**Lansey Middleton**  
Manager of  
Legislative Services

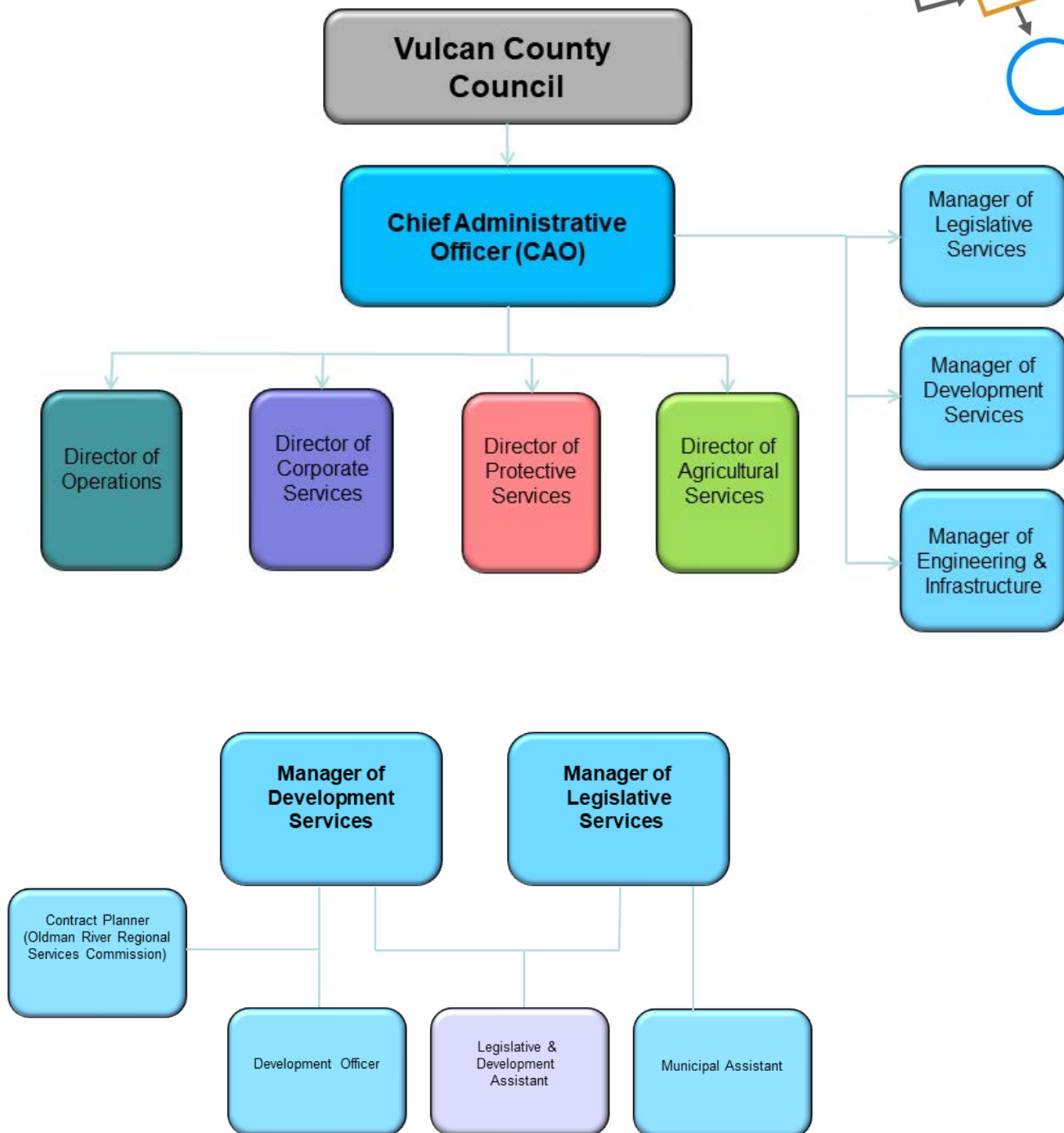
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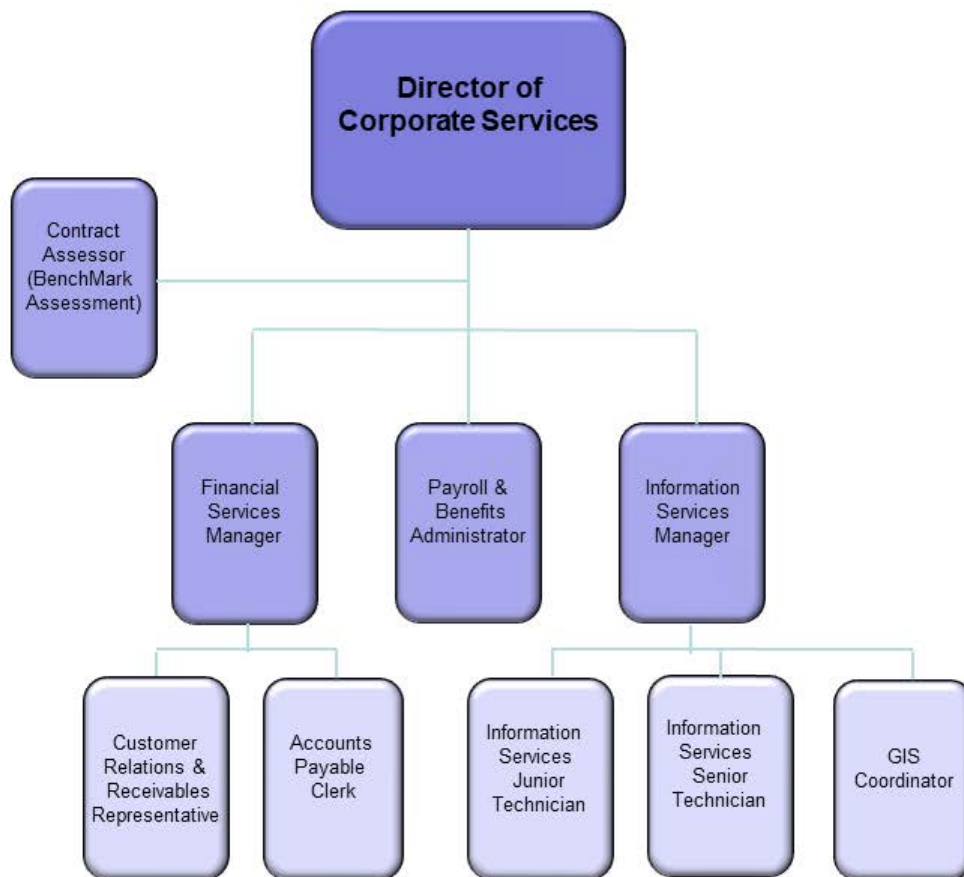
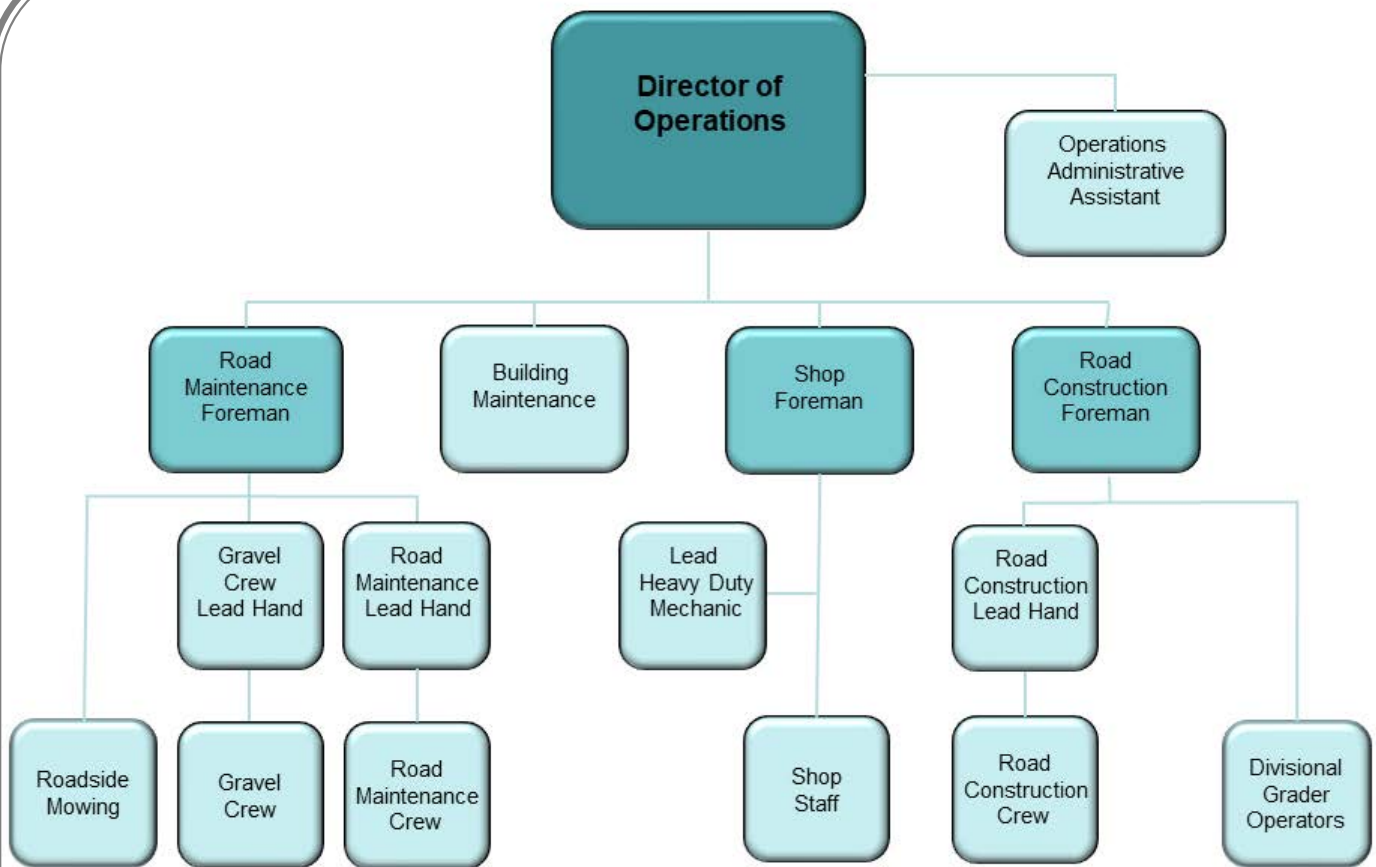
## Organizational Structure/Charts

The organizational structure of Vulcan County aligns with each of County Departments represented within the County Services.

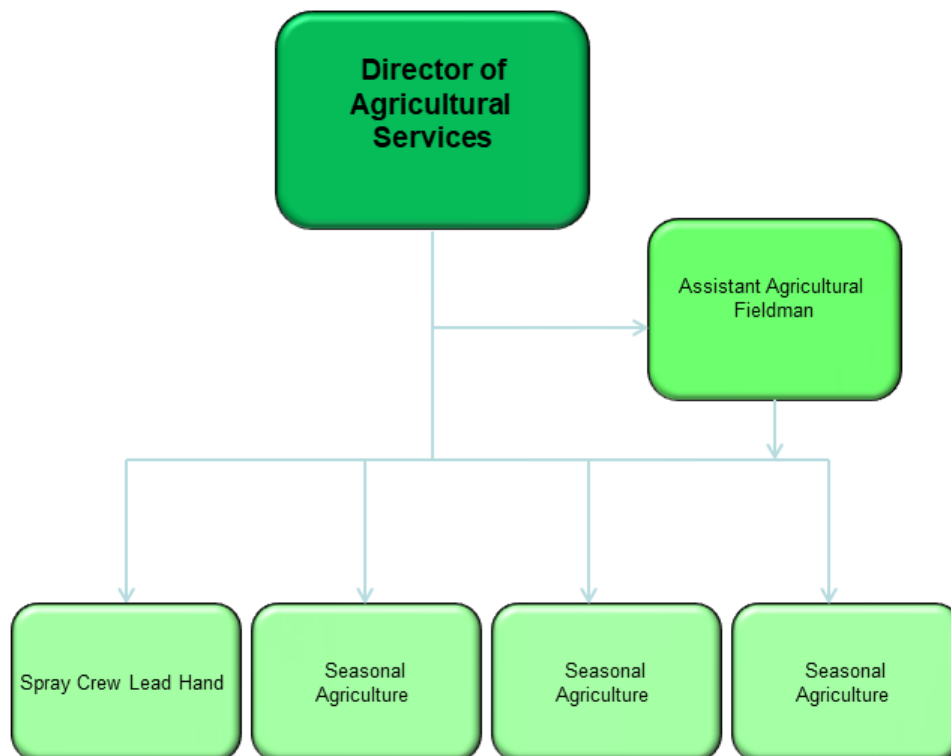
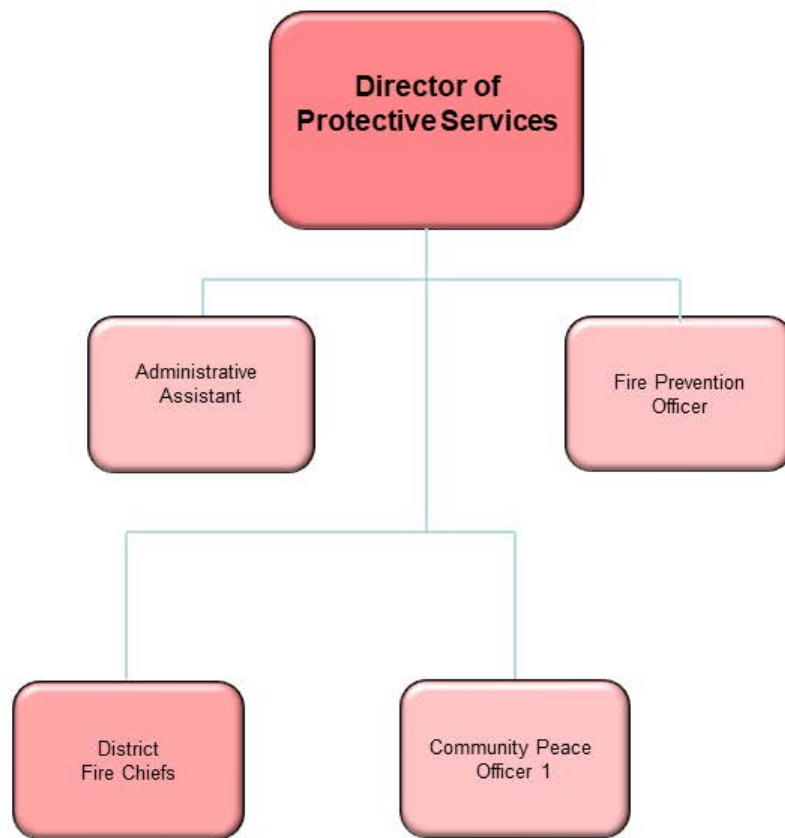
The following is the administrative/management structure of the County:













# VISION, MISSION STATEMENT, & GUIDING PRINCIPLES

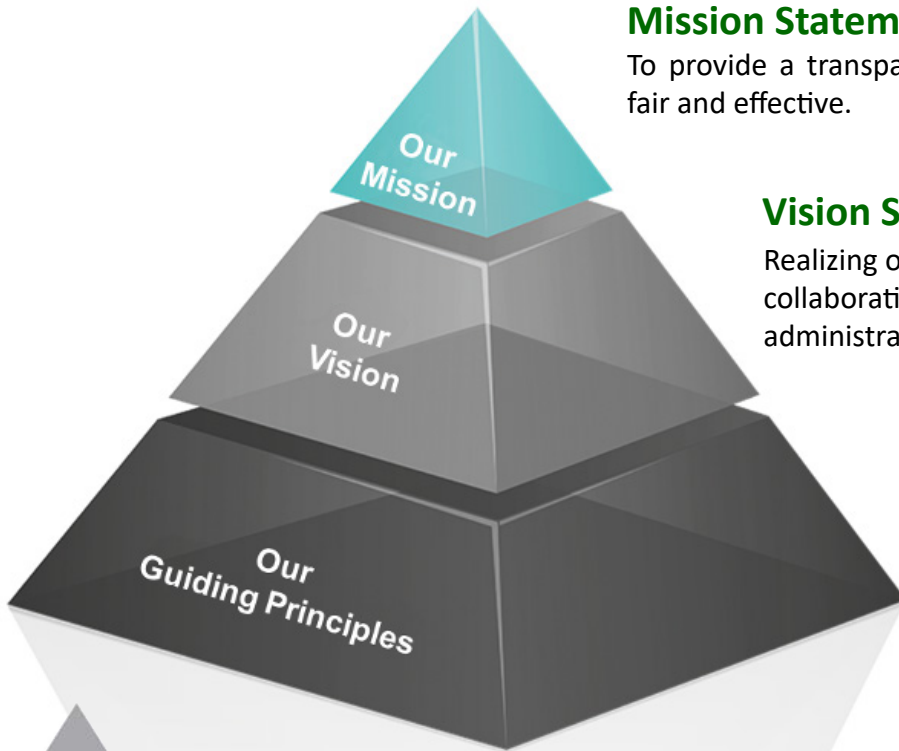


## Mission Statement

To provide a transparent government that is fair and effective.

## Vision Statement

Realizing opportunity and growth through collaborative leadership and accessible administration.



## Guiding Principles & Values

- To provide a transparent government that is fair, reasonable, accountable and effective;
- A diligent Council and Administration that seeks the best long term outcomes for our ratepayers;
- Sound fiscal decisions that ensure sustainability of the County into the future;
- Values of the County include:
  - > Fiscal Responsibility
  - > Accountability
  - > Collaboration
  - > Leadership & Integrity



Every four years, as a new Council is elected, Vulcan County develops a new strategic plan and priorities that provide the roadmap and direction of what the County needs to achieve for the next four-year period and beyond.

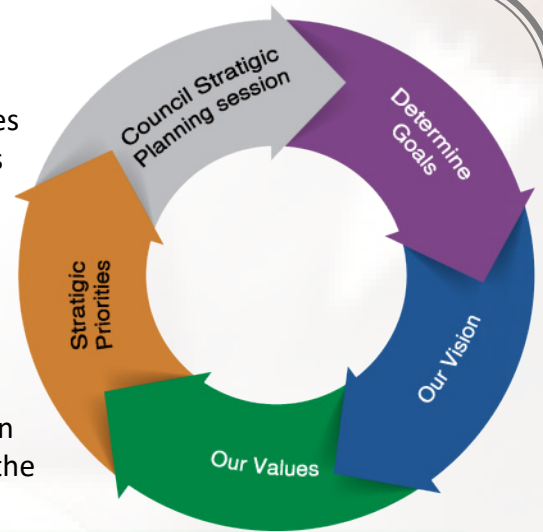
During 2022, Vulcan County developed its next Strategic Plan “**Advance Successes**” which was adopted in late 2022. This Strategic Plan is for 2022-2026.



## STRATEGIC PLAN AND PRIORITIES

Vulcan County Strategic Plan 2022-2026: Advancing Successes is intended to provide any interested persons or organizations a brief overview of the County's vision, values and strategic themes.

The purpose of Vulcan County's Strategic Plan is to create a "blue print" for the future. Putting the right strategy together and developing a clear action plan for effective implementation is vital to the success of Vulcan County. To achieve this, Vulcan County developed the 2022-2026 Strategic Plan, which includes the following seven (7) key priorities:



Economic Resiliency



Continued Collaboration with Regional Partners



Continued Investment into Infrastructure & Equipment



Responsible & Transparent Leadership and Governance



Continued Support of our Agricultural Industry



Safe Communities



Attract, Engage, and Retain New & Existing Employees

[Click the Report to go to the Strategic Plan](#)



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## Strategic Plan - Key Priorities and Goals



### Economic Resiliency

#### 1) Economic Resiliency

We will actively pursue opportunities to diversify our assessment base to support the services we provide to our residents. To realize this goal, Vulcan County Council has committed to:

- Provide County staff with the resources and training to develop programs and initiatives.
- Rewrite of the Vulcan County Municipal Development Plan.
- Rewrite the Wyndham Carseland Area & Mossleigh Area Structure Plans.
- Complete and promote the Vulcan County Industrial Park build and explore other opportunities for similar developments.
- Continue to encourage businesses to register in the Vulcan County business directory. Create and maintain an online business directory.
- Develop online education page for development permit applications to assist applicants and free up staffing resources.
- Standardized requirements of what is considered a complete development application.
- Continue to explore Marina Development on MacGregor Reservoir.
- Procure additional water licencing through water allocation transfers to support economic growth.



### Continued Collaboration with Regional Partners

#### 2) Continued Collaboration with Regional Partners

We recognize that we cannot action all our objectives alone. To realize these goals Vulcan County has begun undertaking the following measures:

- Review of Intermunicipal Development Plans and Intermunicipal Collaborative Frameworks with municipal neighbours.
- Reinstitute annual meetings with the Bow River Irrigation District.
- Review and establish cost sharing formulas for funding that are equitable to all parties.
- Institute annual meetings with the Siksika Nation to investigate opportunities for partnerships.
- Explore opportunities and options with the Vulcan District Waste Commission which will allow for cost savings and stable requisitions.
- Build Upon community relationships and have more of a non-emergency presence at events.
- In collaboration with Siksika Nation, Arrowwood and Wheatland County, continue to pressure for bridge improvements on HWY's 547 & 842.
- Seek joint development areas with urban neighbors.





## Continued Investment into Infrastructure & Equipment

### 3) Continued Investment into Infrastructure and Required Equipment

As a County, the majority of municipal activities typically relate to road and bridge infrastructure, making up approximately 43% of County expenditures. Vulcan County is committed to maintaining these assets by using the following strategies:

- Continued refinement and review of the 5 and 20 year capital plans for equipment and infrastructure construction and replacement.
- Review and approve 4-year road and bridge construction programs that recognize efficiencies in engineering, construction, and project tendering
- Continue capital equipment replacement based on life cycle asset management that ensures a balance between maintenance costs and down time.
- As capital equipment is replaced, considerations shall be given to future projects which may require larger equipment to undertake these projects. (i.e., bridge projects)
- Further investigate potential new aggregate sources to secure gravel requirements
- Create interactive mapping which provides information and grading and graveling programs.
- Undertake cost analysis for replacement of County building infrastructure.
- Lobby the Provincial Government for increased infrastructure funding
- Provide some minimal maintenance on undeveloped road allowances in support of farming operations based on budget availability and staff capacity.



## Responsible & Transparent Leadership and Governance

### 4) Responsible & Transparent Leadership and Governance

Vulcan County will continue to endeavor to be a municipality which operates in a transparent and responsible manner. Key objectives to advance this priority are:

- Provide levels of service that balance ratepayer needs with organizational capacity.
- Build community confidence through responsible governance for long-term sustainability
- Continue to promote excellence through the production and submission of Annual Budget Reports and Annual Financial Reports to the Government Finance Officers Association.
- Improve public communication through our website, social media accounts, and printed media.
- Continued review of taxation rates as to remain competitive with our rural neighbours.
- Maintain our COR (Certificate of Recognition) certification which was achieved in 2020.
- Modernize the County website, allowing for easier navigation, updated content and a fresh look.
- Develop Environmental and Municipal Reserve Policy.
- Improved communication from Council regarding the ongoings of committees and boards.





## Continued Support of our Agricultural Industry

### 5) Continued Support of our Agricultural Industry

Vulcan County recognizes that our main industry within our borders is agriculture. As such, the County is committed to supporting this industry by implementing the following strategies:

- Continue to have an active and engages Agricultural Service Board that reviews and investigates new programming and services which are of benefit to the agricultural industry.
- Marginal Land Recovery Grant -This program will help landowners with seeding marginal lands to grass and forages.
- Investigate and purchase specialized agricultural equipment.
- Work with Alberta Agriculture to assist them with the annual field scouting and inspection of various crop disease and insects.
- Work with companies wishing to bring business to Vulcan County to ensure their projects are a long-term benefit and that they have protocols in place to protect the land.
- Continue to enforce the Weed Act of Alberta, Soil Conservation Act, and the Agricultural Pests Act, while increasing weed control measures and awareness throughout Vulcan County.
- Develop a digital weed database for Vulcan County.



## Safe Communities

### 6) Safe Communities

Protection of our community is accomplished by 6 fire departments, 5 RCMP detachments, and the Vulcan County Community Peace Officer Program. To provide safe communities, the County will undertake the following initiatives:

- Continue with education as a primary value in regard to enforcement.
- Training and exercises through the Vulcan County Regional Emergency Response Partnership.
- Engage RCMP on comprehensive policing and crime prevention strategy for the County.
- Continue to pressure the Province for better rural ambulance servicing in our region.
- Continue to be fully compliant with the NFPA standards.
- Explore Firefighter recruitment incentives to ensure sufficient staffing at all fire halls.
- Increase the delivery of prevention, and preparedness amongst our aging population.
- Build out the investigation program by purchasing equipment that will speed up the process and provide for in-depth reports.
- Develop Council awareness of the Incident Command System, as well as Council awareness of obligations regarding emergency management in legislation.





## Attract, Engage, and Retain New & Existing Employees

### 7) Attract, Engage, and Retain New & Existing Employees

To ensure there is staff talent and capacity to provide the services the municipality is accustomed too, Vulcan County will undertake the following objectives to recruit and retain staff:

- Provide appropriate cross-training opportunities which will benefit staffing capacity and succession planning.
- Enhance the performance review tools for supervisors.
- Undertake compensation reviews to ensure Vulcan County is competitive within the market.
- Ensure adequate staffing to provide appropriate levels of service.

This Strategic Plan is a roadmap to the future and sets the direction for Administration to build work plans that will reach the fundamental vision as set by Vulcan County Council.

This plan sets the priorities and direction for the County while balancing the needs of infrastructure requirements, community growth and service provisions. The success of this plan will be measured on a quarterly basis through review of executed items, realized agreements and budgetary/financial impacts.

By Council's adoption of this plan, we commit to conscientiously work towards the best outcome for our ratepayers and community.

### Strategic Plan "Advancing Successes"





## Key Success and Performance Measures

Through the Strategic Plan, the County establishes “Key Success Measures” and other Performance Measures which impact the budget process and operations of the County.



There are six (6) primary Key Success Measures:

- Stakeholder Satisfaction
- Employee Satisfaction
- Process and System Improvements
- Council Satisfaction
- Sustainability
- Financial Viability

Within each of the Strategic Priorities, there are specific and defined “Key Action Items” to support in the success of these Strategic Priorities; whereas, these also indicate the specific departments responsible for the action items, projected timelines, and which of the Key Success Measures should be impacted.

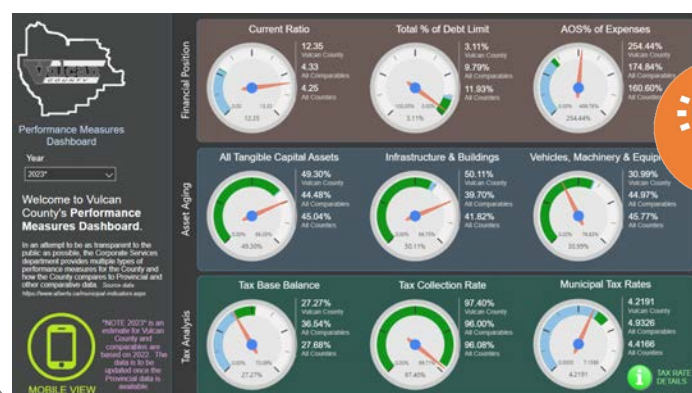


See Appendix 2 for details of the Strategic Priorities and Key Success Measures

As the Strategic Plan and many of the priorities are multi-year projects/goals, County Administration tracks to progress on each of these Key Action Items and reports the progress to Council (at a minimum on an annual basis). Although many of these Key Action Items are embedded within the operations of the County, should there be significant additional costs (other than staffing time/effort) towards these action items, these are either identified through the Budget Committee and/or through County Council during the year. *See the Segment Reporting for additional department-level goals and measures.*

In addition to these Key Success Measures, the County also utilizes other Performance Measures and Financial Indicators to review the overall financial and operational health of the organization. These also correlate to the Key Success Measures of Sustainability & Financial Viability. Many of these measures are established and monitored by the Provincial Government through Alberta Municipal Affairs as “Key Performance Indicators (KPI)”. Through Provincial data on all municipalities, the County is able to compare specific indicators to other Alberta municipalities and compare to specific municipalities that are in comparable size and in close proximity in geological locations.

In an attempt to be as transparent to the public as possible, the County has developed a Performance Measures Dashboard which focuses on the Performance Measures and Financial Indicators:



See Appendix 5 for details of the Financial Indicators & Performance Measures



## **Targeted Budget Impacts and Costs**

The following are some of the identifiable costs in Budget 2024 towards the County's Strategic Plan and the related priorities:

### **Economic Resiliency:**

- Rewrite of Municipal Development Plan (MDP) - Consulting Costs relating to MDP (part of a multi-year project - \$11,350 for 2024).
- Promote Vulcan County and the Industrial Park - Travel Costs and marketing materials to attend an AG Expo for promoting agriculture, tourism and the Industrial Park (\$3,500).
- Completion of Industrial Park - Capital Project completion (\$2.2 million - reserve funded).

### **Continued Investment into Infrastructure and Required Equipment:**

- Funding allocation to Capital Plan - Capital Reserve allocation of \$2.5 million.
- Road and Bridge Construction Program - Capital investment of \$1.70 million in road projects and \$541,500 in bridge projects in Budget 2024. This capital investment may vary from year-to-year depending on the approved 4-year road and bridge construction program.
- Undertake costs analysis on replacement of building infrastructure - Capital Project for building design and engineering review (\$150,000 - reserve funded).

### **Responsible and Transparent Leadership and Governance:**

- Review of Taxation Rates for competitive rates - tax rate reductions impact the available tax revenues for the County:
  - > Based on 31.67% reduction to General Municipal Residential Rate and projected assessment - reduction of \$685,500 compared to maintaining 2023 tax rates.
  - > Based on 4.45% reduction to General Municipal Non-Residential Rate and projected assessment - reduction of \$516,200 compared to maintaining 2023 tax rates.

### **Attract, Engage, and Retain New and Existing Employees**

- Addition of staffing to ensure appropriate levels of services including: Additional Community Peace Officer (CPO), Automotive Mechanic, & Temporary Development Officer - total estimated costs of \$301,300 for wages and benefits (partial grant funded for CPO).
- External Compensation Review - Market Adjustments to applicable staff grids of \$131,100 total estimated costs for wages and benefit costs. Increase to Wellness / Health Spending Account to be at similar allocations as comparable municipalities - total \$20,500 of benefit costs.

*The above are the identifiable costs that would be considered outside the standard operations for the County and/or are new costs related to enhanced service levels. There is also many additional Key Action Items being worked on during the upcoming budget year; however, these may not have additional costs as they may be included within current staffing and/or County operations.*





## 2024 Priorities, Issues, and Goals

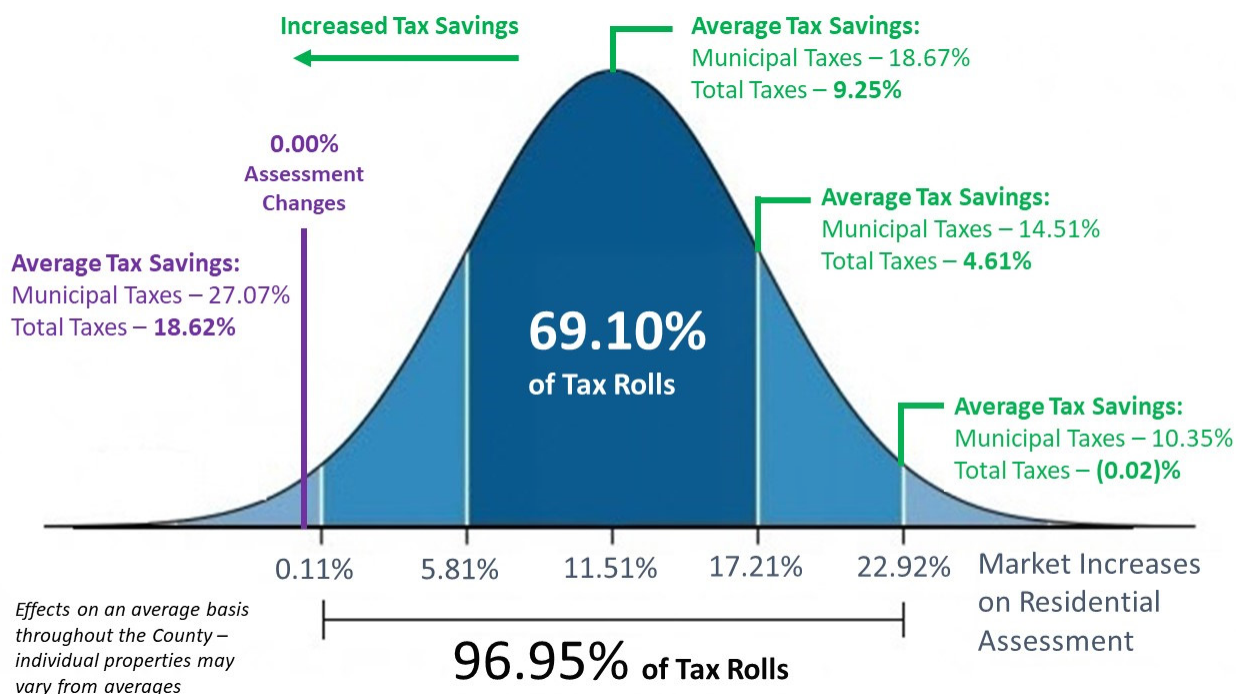
The following are the significant priorities, issues, and goals that impacted the 2024 budget, including the applicable performance measures:

### 1) Tax Rates & Assessment

Maintaining competitive tax rates and increasing the assessment base continues to be a main goal for the County in 2024; including a continued review of taxation rates as to remain competitive and economic resiliency with further economic growth and diversity. This is part of the county-wide priority within governance and the departmental goals within Development Services.

Budget 2024 included an approximate 20.40% increase in taxable assessment from \$1.811 billion (including \$200 million projected supplementary assessment) to \$2.180 billion; whereas, the majority of the increase is a result of one of the largest solar projects in Canada (Travers Solar - 465 Megawatt production capacity) being completed and commissioned within the County during 2023. There was also a 16.99% increase in residential assessment (mostly from inflationary increases). This significant assessment growth over the past two years allowed the County to cover the required inflationary cost increases, maintain the service levels, and allow reduction in overall tax rates.

The reductions in the overall tax rates were included within the strategic planning as part of a multi-year analysis on projected assessment and tax rates. For 2024, this included a 31.67% reduction in the general municipal residential tax rate and a 4.45% reduction in the general municipal non-residential tax rates. Overall, residential taxes were estimated to have an average 9.25% savings on total taxes when taking into account the other applicable tax rates and an average 11.51% market increase on residential assessment:



As shown above, the vast majority of residential properties will see a decrease in total taxes.

[See our 2024 Tax Rates & Assessment Information Infographic](#)



Although there were many challenges with Budget 2024, including inflationary costs that have a large impact on the County, the County was able to minimize these costs as much as possible and able to utilize assessment growth to strategically achieve these tax rate reductions for 2024. As in the prior years, the 2023 budget was thoroughly reviewed by Council and Administration in order to find efficiencies while maintaining the required service levels.

Tax rates being applied to the various classes of property were also compared to neighboring and other comparable municipalities during the budget process. This is done in an effort to ensure Vulcan County's rates are competitive while still addressing the unique needs of the County. Rate comparisons between similar and neighboring municipalities is a key performance measure for the County. This is the 2nd year in a row that the County was able to significantly reduce the general municipal tax rates; whereas, in 2023 there was also a 40.00% reduction in the general municipal residential tax rate and a 5.50% reduction in the general municipal non-residential tax rates.



#### General Municipal Tax Rates:

	<u>Residential</u>	<u>Non-Residential</u>
<b>2022</b>	5.3660 mils	9.4140 mils
<b>2023</b>	3.2196 mils (40.00% reduction)	8.8962 mils (5.50% reduction)
<b>2024</b>	2.2000 mils (31.67% reduction)	8.5000 mils (4.45% reduction)

With a continued focus on economic development and diversification, the County is attempting to increase the assessment base by attracting new businesses to the area. This would achieve the goal of increasing assessment while enabling residential and non-residential rates to stay competitive. To support in this goal, the County has recently developed an industrial park and has continued to bring in new businesses into the County.

## 2) Staffing and Compensation

Ensuring the County maintains sufficient staff capacity and recruits/retains qualified staffing is a county-wide priority. As part of this priority, an objective includes undertaking compensation reviews (approximately every 4 years) to ensure Vulcan County is competitive within the market. In 2023, the County had an external consulting company preform a comprehensive staffing compensation review; which reviewed each of the positions/responsibilities and compared to the applicable market comparisons in similar municipalities, as a result there were certain positions that had market adjustments to their applicable 2024 wage grids to ensure the compensation is competitive within the market.

Compensation Policy (Policy 12-3131) also includes the option for Cost of Living Adjustments (COLA); whereas, 2024 wages grids were increased by 4.28% to align with the inflationary market increases.

Budget 2024 also included an increase in staffing levels, including second Community Peace Officer position (increased capacity - Strategic Goal within "Safe Communities"), a new automotive mechanic position (capacity), an apprentice heavy duty mechanic position (capacity), and a temporary development officer position to support with goals within the planning and development department.



### 3) Infrastructure and Capital Replacement

Continued Investment into Infrastructure and Required Equipment is a county-wide priority and maintaining and replacing the infrastructure is a key performance measure for the County. As a County, the majority of municipal activities typically relate to road/bridge infrastructure, making up one of the largest components within the County's expenditures. The Provincial and Federal capital grant funding available to the County is not sufficient to cover the capital requirements for the County; and therefore, the County is required to further invest into its infrastructure.

The County utilizes long-term capital planning to ensure that the appropriate levels of investment into infrastructure and replacement of capital. The County tracks and maintains a 20-year capital funding program; whereas, all the costs and estimated replacement dates for the County's capital assets are projected forward (even beyond the 20-year cycle). This methodology is used to "level out" the annual budgeted funding requirements to avoid the highs and lows in capital requirements from year-to-year. The scheduled replacement of the capital is based on the estimated useful lives of the assets which takes into account the costs/benefits of replacing the asset vs. the costs to maintain the assets.

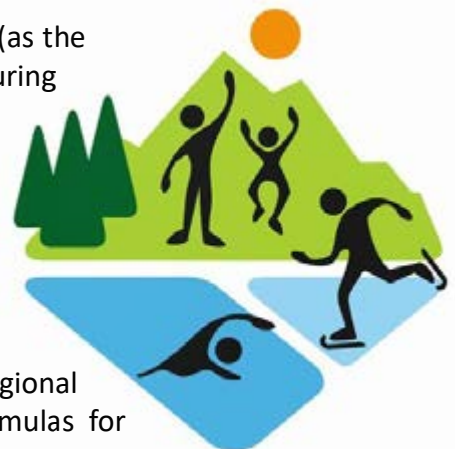
During the development of Budget 2024, this 20-year capital funding program was further refined and enhanced. This included enhancements to the facility replacements planning where the start of savings for facilities was extended from 20 to 40 years within the capital plan to fine-tune the long-term replacement requirements and to build reserves over a longer period of time (minimizes fluctuations even further through out the capital planning). Equipment/vehicle requirements and costing was also further reviewed to determine the long-term effects and requirements within the capital plan as the cost of equipment has increased significantly from prior years. Budget 2024 includes a \$2.5 million reserve allocation for funding the 20-year capital funding program.

### 4) Update the Recreation and Cultural Funding Processes

Vulcan County has a Recreation and Culture Funding Policy (Policy 12-2215) which is intended to "guide and govern decisions made by the County about how funds within its control are used to invest in recreation and culture within the region". In late 2023, Administration brought forward an analysis on the current policy, procedures, and forms; whereas, Council directed Administration to continue to "revamp" these processes in conjunction with the feedback that we receive from our Recreational Boards throughout the County. This project is considered a significant project for 2024.

Although this does not have specific budget impacts for Budget 2024 (as the Recreation & Cultural funding allocations were effectively decided for during the 2024 Interim Budget), this project is an extensive undertaking and will likely take significant time/effort for Administration, including multiple feedback/consultation sessions with the Recreation Boards and other stakeholders throughout the County.

As part of this process and review, Administration is reviewing the development of an Intermunicipal Funding Policy; whereas, this also would support the Strategic Goal of "Continued Collaboration with Regional Partners" by developing and establishing effective cost sharing formulas for funding that are equitable to all parties.





## 5) Municipal Development and Area Structure Plans

The Strategic Goal of “Economic Resiliency” including rewrite/update the County’s Municipal Development Plan (MDP) and multiple Area Structure Plans are county-wide priorities. Budget 2023 starts this process; whereas, the County started the rewrite/update of the Municipal Development Plan (MDP) in late 2023 through a contracted service provider in conjunction with the Planning and Development department. This was continued in Budget 2024; whereas through this process, a MDP Committee was established and MDP community surveys are planned to be provided to the public for feedback. The Area Structure Plans for Wyndham Carseland Area & Mossleigh Area is projected to be started in 2024/2025.

### Development of the 2024 Priorities and Goals

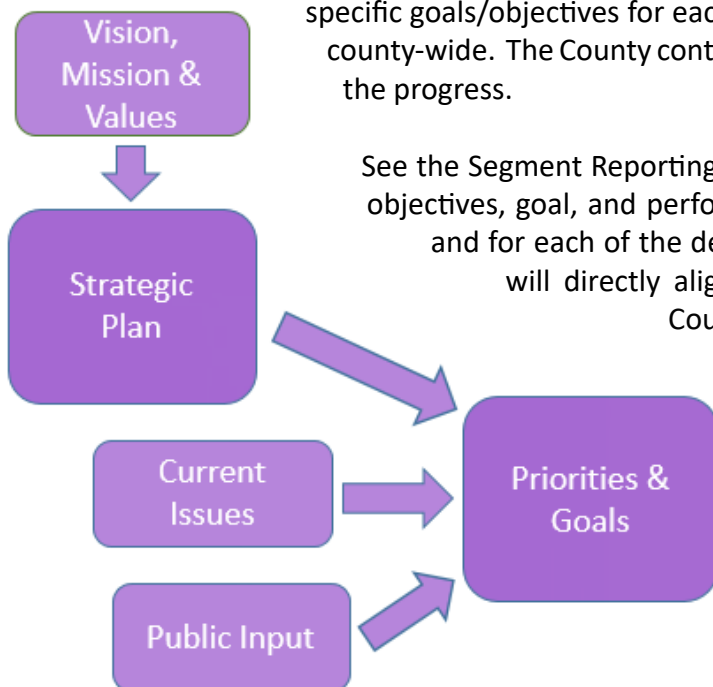
The Vulcan County’s vision, mission statement, and values guide the development of the Strategic Plan and provides the “blueprint” for the future. Through the Strategic Plan and in combination with the current issues and public input, the County established the Priorities and Goals impacting the current budget development.

These Priorities and Goals are provided on a County-Wide and on a Departmental Basis, in which, these impart the development and implementation of the budget and its process.

The County also has goals and objectives throughout the strategic plan; including specific goals/objectives for each of the major departments and that are pervasive county-wide. The County continually reviews these goals/objectives and evaluates the progress.

See the Segment Reporting within Operating Budget (Section 2) for additional objectives, goal, and performance measures for each of the major segments and for each of the departments within these segments.. Most of these will directly align with the priorities and goals found within the County’s Strategic Plan and support with the success of these priorities and goals.

The Priorities and Goals are the starting point of the County’s Budget Process.



[See Appendix 2 for details of the Strategic Priorities and Key Success Measures](#)





# BUDGETING GUIDELINES



## Basis of Budgeting

The Municipal Government Act (MGA) requires that the County Council adopt an operating and capital budget each year. An interim budget may also be passed until the final budget is adopted. The budget is based on the estimated operating and capital costs for the County. After reviewing the other revenue sources available to the County, the net difference is raised by the levying of property taxes.

Typically, the County adopts an interim operating budget in December in the year prior to the budget year which is available for the County's operations at the beginning of the year. Once the County receives the other information required for the final budget (i.e. final assessment amounts, grant allocations, school & seniors requisitions, etc.) in March/April of the budget year, the County is able to adopt a final operating budget. The adoption of a final budget is done instead of amending the interim operating budget.

The capital budget is also typically adopted in December in the year prior to the budget allowing the County to pre-order large capital items during this time so that the County can receive reduced costs. Should there be any required changes during the final budget preparation, the capital budget will be amended accordingly.

The budgets are presented to a **Budget Committee** (comprised of all Councillors) which reviews the budgets in detail. Once they are in agreement on the budgets, they will provide the recommendation for formal approval.

The following is the Budget Process for the County:





The Budget Process starts through the Strategic Plan and in combination with the current issues and public input, the County established the Priorities and Goals impacting the current budget development. The County's priorities & goals will determine the required expenditures for programs and services that are offered by the County; whereas, the County projects these costs for the budget and upcoming budget years as part of its long-term budgeting process. To fund these expenditures, the County reviews the revenue sources available (i.e., provincial and federal government grants, user fees/recoveries, funding agreements, use of reserves); whereas, the remaining funding is to be raised by municipal tax revenues. Once Council is satisfied that the proposed tax rates are acceptable, the municipal tax rates are set in the Operating and Capital Budgets and these budgets and the tax rates are approved by Council.

The adopted/approved Operating and Capital Budgets outlines the approved activities for the budget year. The actual financial results are compared to these budgets and reported to Council on a quarterly basis. Should there be any significant changes be required after the budget adoption, any changes would require approval by Council Motion.

## Modified Accrual Basis

The County utilizes a modified accrual basis for its budgeting which is a combination of cash and accrual bases of accounting. The cash basis recognizes the transaction upon the exchange of money (i.e. expenses recognized when actually paid). The accrual basis recognizes the transaction when a liability is incurred and does not consider the timing of when the cash is exchanged (i.e. expense is recognized when the goods/services are received even if it is not paid until a later date).



### SHORT-TERM ITEMS

The County typically utilizes a cash basis of accounting for recognizing transactions that will occur within the budget year, and would not be expected to take several years to resolve. These include a large amount of revenues and expenditures that would be recognized on the Statement of Operations (also known as an income statement or profit/loss) and would not be expected to create a payable or receivable at the end of the year.

### LONG-TERM ITEMS & PROJECTS

The County typically utilizes an accrual basis of accounting for transactions that occur over a longer time period, typically extending over multiple budget years. These transactions are recognized in the budget based on when the transaction or service is provided (not based on exchange of cash). Should a project extend over multiple years, the revenues and expenses are recognized in the budget based on the estimated amount of the project to be completed in each of the budget years.

Although the County's Annual Financial Statements are fully prepared using the accrual basis of accounting, the budget remains in-line with this methodology as the short-term items are still projected to be completed before yearend. The County's Annual Financial Statements provide a reconciliation between the modified accrual basis and the full accrual basis, including items such as the proceeds on disposal of capital (cash basis) compared to recognizing the gain/losses on disposals of capital (accrual basis) and the crushing of gravel for inventory. Amortization of tangible capital assets and reserve transfers are included in the approved budget (as the budget is presented in a format consistent with the financial statements).



# Budget Presentation

In accordance with MGA, Section 248.1, the County has adopted budgets that are in a format that is consistent with the financial statements. This budget format has been adopted by Council and includes the following:

- Statement of Operations - revenues and expenses by department
- Schedule of Changes in Accumulated Surplus - transfer between reserves and capital
- Schedule of Tangible Capital Assets - capital additions/disposals and amortization
- Schedule of Property and Other Taxes - taxation revenues and requisitions
- Schedule of Government Transfers - government grants and contributions
- Schedule of Expenses by Object - expenses by the type of transaction
- Schedule of Segmented Reporting - revenues and expenses in each major segment/department



The change to this presentation format allows the readers of the budget to easily tie the budget in to the annual financial statements, provide additional details compared to prior budget formats, and would allow the County’s budget to be in similar format as other municipalities that also adopt this format. See Appendix 1 for a copy of the Approved Operating and Capital Budgets.

To assist the readers of the budget, the County also provides supplementary budget information, such as the budget in the prior format, summaries of revenues and expenses by object, and other reconciliations.

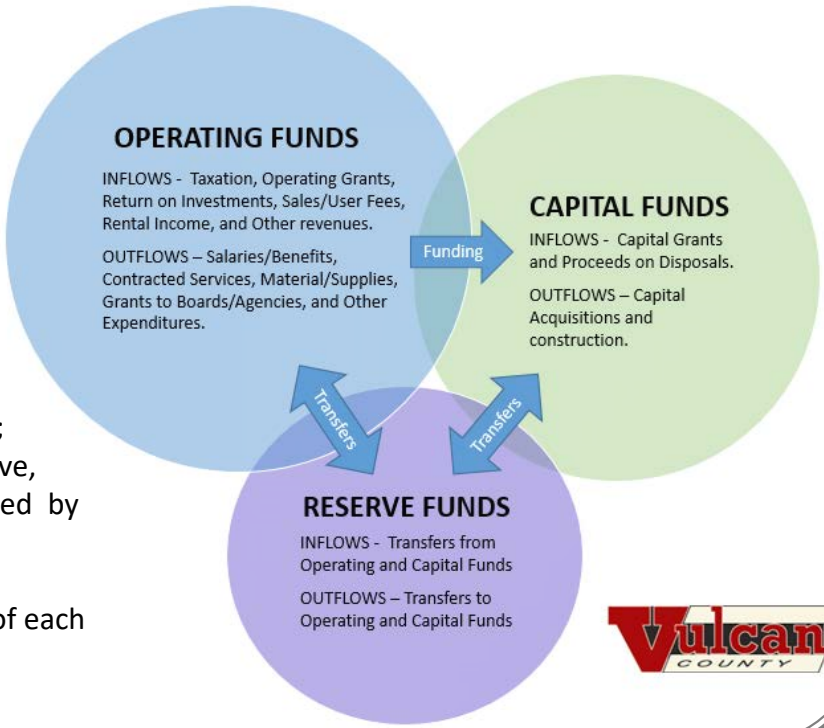
# Fund Accounting

Vulcan County has 3 major types of funds:

- **Operating Funds**
- **Capital Funds**
- **Reserve Funds**

Each fund has a defined purpose and recognizes the inputs and outlays to come up with a net change in the fund balances. These inputs and outlays include revenues, expenses, and transfers to/from the fund accounts. Each of these funds also have restrictions on the use of the balances; some of these restrictions are legislative, whereas others are restrictions imposed by County Council.

See the following page for an overview of each major type of fund.







## **OPERATING FUNDS**

The Operating Budget outlines the changes in these funds and includes all of the municipal programs and services in the operations of the County. This fund has the most expenditures each year, with the costs of these operating activities being covered through taxation, operating grants, user fees and other sources of revenue.

Typically, some operating funds are transferred to/from the other fund accounts, including:

- Operating funds used for capital projects
- Operating funds transferred to build capital or operating reserves
- Operating reserves used to fund operating costs and projects (i.e. contingency reserves)

Some of the legislative restrictions on these funds include the application of special tax levies, which requires these funds to be specifically used for the purpose in which the funds were raised (i.e. special tax levies for the Milo Fire Protection Area are required to be used for fire protection within that specific district).

## **RESERVE FUNDS**

The County has both operating and capital reserves funds. The changes in the reserve funds are a result of the net reserve transfers to and from the operating and capital fund accounts.

Some of these reserves also have legislative restrictions placed on the funds (i.e. reserves built from special tax levies). Other reserves have restrictions imposed on them by Council (i.e. departmental reserves), but these fund restrictions may be modified by Council, should they want to use the funds for a different purpose.

## **CAPITAL FUNDS**

The Capital Budget outlines the changes in these funds and includes all of the capital acquisitions/construction and their respective funding sources. The capital funding may include capital grants, proceeds on disposals, and transfers between other fund accounts, including:

- Capital projects funded by operations
- Capital reserves used to fund the capital acquisitions/construction
- Capital funds transferred to build capital reserves (i.e. proceeds from sale put to reserves for future use)



## Financial Policies and Principles

Vulcan County has a number of financial policies relating to the budgets that are reviewed and approved by Council. These policies are designed to ensure that there are appropriate controls in place to safeguard the County and to ensure that the County is compliant with the Alberta Municipal Government Act, Canadian Public Sector Accounting Standards, and other related legislation. These policies ensure that the County assesses long-term financial and budgetary impacts during the budget process. The following are some of the policies that are in place:

The County's Policies are organized by the major categories:

- |   |                              |
|---|------------------------------|
| 12-1 - Legislative                          | 26-1 - Safety Policies       |
| 12-2 - Financial Records                    | 32-1 - Road Transportation   |
| 12-3 - Personnel                            | 62-1 - Agricultural Services |
| 21-1 - Community and<br>Protective Services | 69-1 - Land & Other Property |

The following are some of the financial policies that are in place:



- Purchasing Authority and Procurement Policy (Policy 12-2203)
- Compensation Policy (Policy 12-3131)
- Recreation and Culture Funding Policy (Policy 12-2215)
- Investment Policy (Policy 12-2204)
- Tangible Capital Assets (Policy 12-2214)
- Surplus Vehicle & Equipment Policy (Policy 12-2208)
- Reserve Policy (Policy 12-2218)

Vulcan County has a number of internal procedures that are used to document the steps and methods required to perform many of the financial tasks in the County's administration. These internal procedures ensure that the proper steps are taken for the recording of financial transactions to promote accuracy, consistency, and that policies are being followed appropriately.



There are many Policies and Procedures that are publicly available on our website:  
[www.vulcancounty.ab.ca/Your Government/Policies](http://www.vulcancounty.ab.ca/Your Government/Policies)



Two of the policies that have the most impact on the development of the budget include the Purchasing and Procurement Authority Policy and the Compensation Policy.

- The **Purchasing and Procurement Authority Policy (12-2203)** sets the approval authorization limits and the procurement process for Administration, including that the County follows the New West Partnership Trade Agreement (NWPTA) and the Canadian Free Trade Agreement (CFTA). In relation to Capital, County Council has also set a threshold of \$50,000 requiring tender or proposals (considered significant capital). This ensures that the County is able to acquire capital that is priced competitively and that meets the requirements of the County. The policy effects the budget process as these items receive proposals/quotes throughout the budget process.
- The **Compensation Policy (12-3131)** dictates the staff wages and compensation, including directions on determination and approval of staff salary grids and staff grid movements. Therefore, prior to the approval of the budgets, the salary grids are determined and provided to Council for approval. Occasionally, the salary grids are amended for final budget (if new or updated information is available). The approved salary grids are applied to each of the staff positions at their current grid levels, with the budget accounting for any anticipated grid movement.

The County also follows many principles that are not currently specified as policy that are used in the development and implementation of the budget. The following are some of these principles:

- **Balanced Budget** - the County is required under Municipal Government Act (MGA) to not budget for a deficit. To achieve this, through the budget process the County ensures that the budgeted revenues either meet or exceed the budgeted expenditures.
- **Long-term Budgeting** - the County wants to ensure long-term financial stability in budgeting. Therefore, the County has adopted the use of multi-year operating and capital budgets. Council has approved the use of a 3-year written operating plan and a 5-year written capital plan. To plan long-term capital spending, the County has a 20-year capital funding plan for capital acquisitions and projects projected within this term.
- **Debentures** - the MGA and related Alberta Regulations provide debt limits for borrowing. Although the County currently has minimal borrowing (relative to its limit), it is still a principle to follow when reviewing potential borrowing in the budget process.

The County also has other formal documents (i.e. Bylaws) to assist in the annual budgeting process, including the Fees for Service Bylaw which dictates the fees to be charged in the year. This assists in the determination of budgeted revenues resulting from these fees.



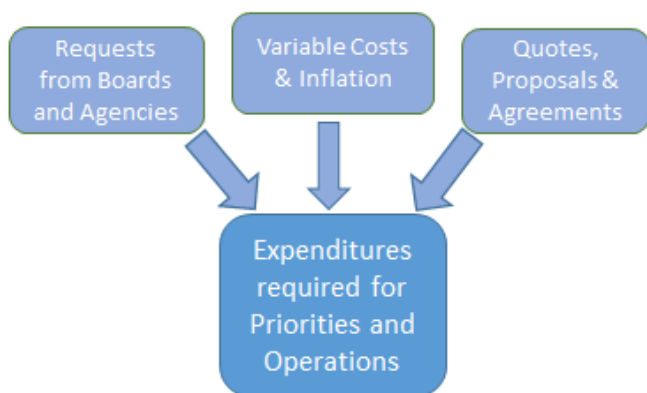
## Budgeting for Expenditures

The County's priorities & goals will determine the required expenditures for programs and services. These priorities & goals are reviewed on an annual basis during the budget process, and are typically a result of the County's Strategic Plan, the current issues that are facing the County, and the input that we have received from our Ratepayers.

### Operating Expenditures

The County has detailed listings of all of the transactions made in prior years. Therefore, the prior year actual expenditures are usually used as a base for what expenditures to expect in the coming year(s).

Each of the separate departments within the County has its own operating expenditures required to provide their services. The department heads (Directors and managers) periodically review their respective department's expenditures throughout the year.



The major operations of the County remain relatively consistent from year-to-year; hence, the current priorities & goals will only modify the specific sections of the budget relating to those goals. These base expenditures for operations are then modified to update the costs for the current budget year.

Some of the main factors that provide updates to these expenditures include:

- Variable Costs & Inflation,
- Quotes, Proposals & Agreements, and
- Requests from Boards and Agencies

### VARIABLE COSTS & INFLATION

Variable costs & inflation are generally applied to the previous years costs to give a new baseline cost for the upcoming year. One significant variable cost is the cost of fuel/diesel; total fuel cost is based on estimated fuel usage multiplied by projected fuel cost (including projected increases and effective carbon tax increases). Inflation is also applied to operational costs from the prior year to estimate the cost increase in the following year. This is also applied to long-term financial planning since costs are expected to continue to increase over time.



Salaries, wages, and benefits have a combination of variable factors and inflationary factors. Variable factors include wage increases from grid movements and benefit rates depending on the wage levels. Inflationary factors include the determination of Cost of Living Adjustment (COLA) and market adjustments which are encompassed in the approved salary grids in accordance with Compensation Policy (Policy 12-3131). Each staff position is budgeted based on the effective working hours and their wage grid effective at the beginning of the budget year; whereas, the position is budgeted to have its related grid movement (if applicable) during the budget year in accordance with the staff's evaluation dates.





For the majority of these types of variable expenditures, the County takes a conservative approach to ensure that the budget is sufficient to cover the costs, including potential unexpected increases due to the nature of variable costs. There is usually a small “cushion” available in departmental costs for these types of increases.

The County also budgets a Contingency Fund in its general operations if the costs exceed expectations or unexpected costs arise. The use of the Contingency Fund is subject to Council’s approval. Should these funds not be required for the year, the resulting surplus may be added to reserves and potentially applied in future budget years.

### **QUOTES, PROPOSALS & AGREEMENTS**

The County has a Purchasing Authority and Procurement Policy (Policy 12-2203) to guide the projects and costs that require quotes or proposals. Typically with larger operating expenditures, the County receives quotes or proposals to ensure that the operating costs follow the legislation requiring proposals/tenders (i.e. if the value is over \$75,000 for goods/services). Often, the County receives quotes or proposals on items that are less than the legislative requirements to ensure competitive pricing.

The County may also have previously entered into agreements for services. The budgeted costs for these services are based on the agreements and the terms within the agreements.

### **REQUESTS FROM BOARDS AND AGENCIES**

The County receives many requests for funding from external boards & agencies which are located within the County’s borders.

There are currently six (6) Recreation Committees which submit requests to the County to fund their recreational and cultural activities. These committees review multiple applications from organizations within their recreational area and provide recommendations to Council for funding.



There are also currently two Commissions that the County is a member of including Vulcan and District Waste Commission and Twin Valley Regional Water Commission. These organizations request operating funding based on the member agreements.

Other requests may include operational funding for literacy, medical assistance (i.e., STARS), tourism, transportation initiatives, libraries, food banks, etc.

These funding requests from the boards/agencies are typically reviewed by the Budget Committee on an annual basis. Those approved are paid after final budget approval and receiving organizations are not required to report on their usage of funds. However, the County currently requires the prior year’s financial statements as part of a funding application and reviews usage at that time.



## Capital Expenditures

In accordance with the Purchasing Authority and Procurement Policy (Policy 12-2203), any capital items over a \$50,000 threshold must go through the process of receiving tenders or proposals. Therefore, substantially all capital projects and purchases go through this process since very few are below \$50,000.

Although the policy allows for either tenders or proposals, typically the County will bring all of the capital acquisitions through the request for proposals process. Unlike tenders, which require the County to accept the lowest offer, requests for proposals allow the County to take other factors into account when making its decision. This can include historical experience with a vendor/model, warranty on capital, current equipment in fleet, and other factors. Price/cost is usually the most critical factor in determining the successful proposal.

The interim capital budget is typically adopted in December in the year prior to the budget allowing the County to pre-order large capital items during this time so that the County can receive reduced costs. During the interim capital budget process, the department heads (Directors and managers) will project the estimated capital costs either by historical costs, initial vendor quotes, or available costing through buying groups with standing offers.

In preparation of the final capital budget, any capital that requires to go through the process of receiving tenders or proposals is completed, the cost estimates are reviewed/awarded by Council, and the final numbers are adjusted in the final capital budget (if required).

## Expenditures - Multi-Year Projections

The County wants to ensure long-term financial stability in budgeting; therefore, the County has adopted the use of multi-year operating and capital budgets. Council has approved the use of a 3-year written operating plan and a 5-year written capital plan. To plan long-term capital spending, the County has a 20-year capital funding plan for capital acquisitions and projects projected within this term. The following is a summary of the methods used for the County's long-term budgeting:

- Salaries, wages, and benefits are projected using the County's budgeting software; whereas, each staff/position is allocated their related salary/wage grid and what the current effective wage grid, hours worked and related anniversary date. Cost of Living Adjustment (COLA) and other market adjustments are applied if applicable. The budgeting software projects the annual budgeted costs for the current and upcoming budget years with the assumption that the staff are eligible to receive their grid movement each year on their anniversary date.
- Contracted Services are typically projected by terms of agreements, timing of projects, and with use of inflationary factors. Many contracted services are provided as part of multi-year agreements with the related service providers; therefore, the budget is projected based on the terms of the agreements for the upcoming budget years. Certain contracted projects are either on a project-by-project basis or only occur every couple years (i.e., contracted inter-municipal development plans); therefore, these services are budgeted based on the projected timing of the services being provided. Most other non-agreement based services are projected using either historical costs and use inflationary factors or trends to project the costs in the upcoming years.





- Materials, goods and supplies are typically projected based on timing of purchases and with use of inflationary factors. Certain materials/supplies are either on a project-by-project basis or only occur every couple years (i.e., replacement of scraper tires are typically every couple years); therefore, these are budgeted based on the projected timing of the materials/supplies being provided. Most other materials, goods and supplies are projected using historical costs and use inflationary factors or trends to project the costs in the upcoming years.
- Transfers to Local Boards and Agencies are typically projected based on the continuing the same level of funding as the current approved budget year and/or as per funding agreements. Majority of the ongoing/reoccurring funding is provided at the same rate from year-to-year and is projected to continue in the upcoming budget years. One-time funding provided is not included in subsequent budget years. Other than funding agreements, the majority of these transfers to local boards/agencies are specifically approved by Council on the year-to-year basis
- Interest and bank charges mostly relates to the long-term debenture interest; in which, the interest rates are locked-in for the entire term; therefore, the budgeted debenture interest and projections for the upcoming years is tied directly the debenture's repayment schedule (which outlines the annual interest for each year for the entire term). Bank charges and projected based on historical trends.
- Amortization expenses are budgeted and projected based on the actual amortization that was recognized in the most recent financial statements (unless the change from the prior year is considered to be a trivial for making the change for the budget process). Currently, the County does not project annual changes in projected years as the actuals remain relatively consistent from year-to-year based on amortization policy being done on a straight-line basis. Amortization expense is also considered to be a "non-cash" expenses as the amortization expenses is effectively removed from the budget through the transfers in the Schedule of Accumulated Surplus (as these are transferred to the Equity in Tangible Capital Assets).
- Other expenses are typically projected based on the ongoing allocations of budgeted contingency/allowances. There is minimal changes in future year projections as these are already contingent in nature.
- Capital expenditures and machine expenses capitalized for construction are typically projected based on the projects outlined within the County's 20-year capital plan. The machine expenses capitalized for construction relates to the internal capital construction projects that the County provided (i.e., construction of roads and bridges); whereas, per the capital plan, the County typically replaces 10 miles of road per year and the bridges will vary from year-to-year depending on the bridge files and whether or not the County has the capacity to replace the bridges internally. Other capital expenditures, such as the purchase of new vehicles/equipment is projected based on the scheduled replacement cycles within the 20-year capital plan. Projected replacement costs are typically done based on current costs and inflationary factors/trends are applied to these projections.

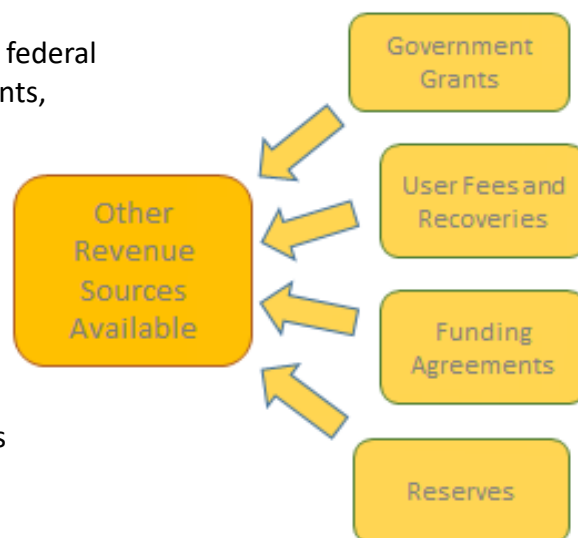


## Budgeting for Other Sources of Revenue

The County has certain other revenue sources available to fund some of the required expenditures. These are often somewhat limited in terms of what is actually available for County use.

The main other sources of revenues include provincial and federal government grants, user fees/recoveries, funding agreements, and use of reserves.

These revenues are budgeted on a conservative basis, meaning they are only included in the budget if likely to be received. Some of the revenues that are received each year can vary significantly from year-to-year. Therefore, these are usually included based on average or lower basis. Should the County receive more revenues than budgeted, the resulting surplus may be added to reserves and potentially applied in future budget years.



### Government Transfers & Grants

The majority of the current government grants are fixed based on factors such as population/roads. The County typically knows which grants are available and ensures that the appropriate eligible expenditures are funded by these grants. Major grant funding includes the Provincial Local Government Fiscal Framework (LGFF), which replaced the prior Municipal Sustainability Initiative (MSI) Operating and Capital grants (effective Jan 1, 2024), the Federal Canadian Community Building Fund (CCBF) grant, and the Agricultural Service Board (ASB) grant. These major grants are typically part of multi-year funding agreements; where the annual allocations are based on specific factors; therefore, during the development of the interim budget they are typically allocated based on the prior year funding and are updated in the final budget when the actual funding allocations are provided.

Some of the grants are competitive in nature; the County submits applications for these grants, but is not guaranteed to receive the grant funding. These are typically not included in the budget unless Council has authorized the use of contingency funds or reserves to cover any unfunded portion.

### User Fees and Recoveries

The County also typically determines which specific services are recovered by User Fees and Recoveries. The majority are typically set by the annual Fees for Service bylaw, including administrative, development, public works, agricultural, and protective services charges. These usually recover or partially recover the costs of the services provided.



Other types of operating revenues may include investment income, penalties, and other various revenue sources. These types of revenues usually vary from year-to-year so they are budgeted for conservatively.



## Funding Agreements

The County has some specific funding agreements, including agreements on shared services with other municipalities. Some of these shared services can include the County providing IT or GIS services for some nearby urban municipalities. The County also manages the Doctor Retention Program which provides subsidies to the local clinics; under this agreement, the County receives funding from the urban municipalities to contribute towards this program.

Other funding agreements can include rental income. These rental agreements are typically based on multi-year contracts which provide rental rate terms for each year. As the rental revenues are in the agreements, the total expected amount per the agreement is included in the budget.



## Reserves

The County's reserves are funds specifically set aside for departments or projects. These are typically held until the project/purpose is undertaken. There are both operating and capital reserves including some reserves raised by special tax levies that are designated for the purpose the taxes were raised (MGA requirement). Council makes the decisions on the use and application of reserves.

Typically, the County avoids using dedicated reserves to fund operating deficits as the majority of these reserves have already been earmarked for specific purposes. The County would likely not want to deplete these reserves so that these funds are available for the purpose they were intended for.

Department-level operating reserves are maintained; whereas, the County internally maintains targeted minimum and maximum levels to be held within these operating reserves (determined through Administrative Procedure and not specifically through adopted Policy requirements - allowing flexibility to adjust these maximum/minimum levels as required). Should a department-level operating reserve exceed the targeted maximum, the excess amount may be utilized in the operating budget over a multi-year period to fund operations. It is typically provided over the multi-year period which scales back in the later years so to avoid a significant operational funding change when the excess reserves are no longer available. This long-term planning approach mitigates the fluctuations in funding from year-to-year.

## Revenues - Multi-Year Projections

The County wants to ensure long-term financial stability in budgeting; therefore, the County has adopted the use of multi-year operating and capital budgets. The vast majority of revenues are budgeted on a conservative basis, meaning they are only included in the budget and projected in upcoming budget years, if likely to be received. Some of the revenues that are received each year can vary significantly from year-to-year. Therefore, these are usually included based on average or lower basis, especially with the uncertainty that arises with multi-year projections.

Reserves are often budgeted in the upcoming budget years as a "buffer" to cover some of the other sources of revenues than have a higher level of uncertainty, without simply showing increases in taxation revenues to cover these potential budgeted funding shortfalls. This methodology is part of the County's long-term budgeting process and is factored into the targeted minimum and maximum levels to be held department-level operating reserves.







## County-Wide Tax Rates

The General Municipal Rates include the tax rates for residential and farmland property/non-residential (including M&E and Linear) and are used for County operations. The Solid Waste Rate is the tax rate to cover the operational costs of Vulcan and District Waste Commission. Both the General Municipal and the Solid Waste rates are distributed equally throughout the entire County.

The **General Municipal Rate** is determined by the net amount to be funded by taxes (excluding other amounts specifically taxed otherwise) and is divided by the total property assessment in the County. The General Municipal Rate funds the majority of the County's operations (other than other activities funded specifically by other and special tax rates).

There is a separate General Municipal Rate for Residential, Farmland, and Non-Residential (including M&E and linear).

The **Solid Waste Rate** is mostly determined by the total contribution from the County towards the Vulcan and District Waste Commission ("Waste Commission").

This contribution is based on the total annual operating budget of the Waste Commission, with the County portion being pro-rated based on the estimated population in the County. This equates to approx. 55-60% of the operating costs of the Waste Commission.



## Special Tax Rates

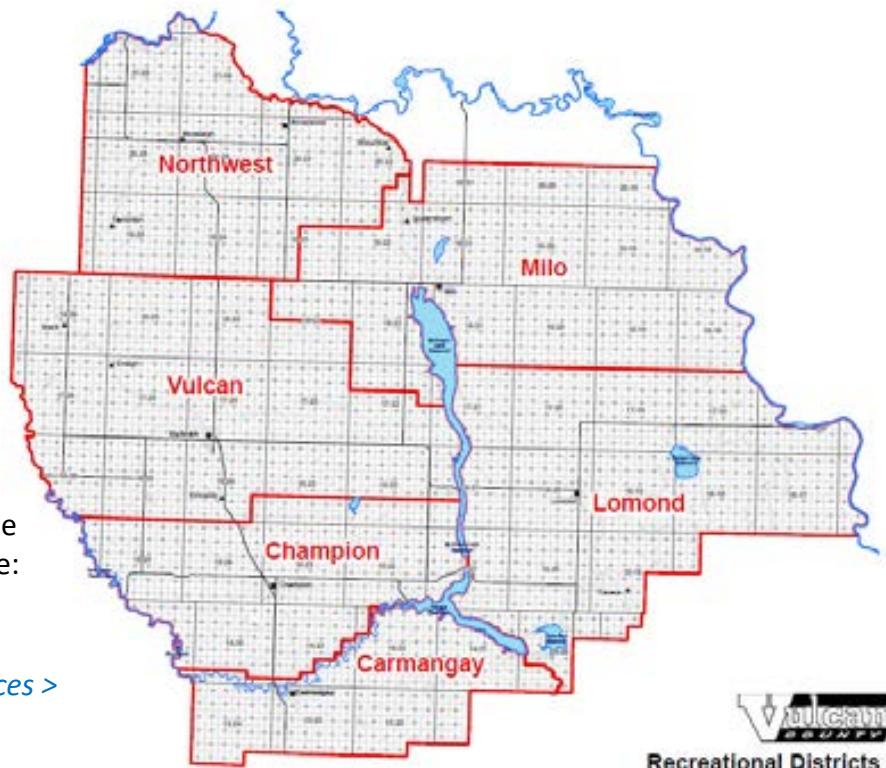
In accordance with the Municipal Government Act, Section 382, the County uses Special Tax Levies to raise revenues to pay for specific services that the County provides. Currently, the special services include fire protection, recreational services, and some waterworks. The Fire Protection and Recreation Rates are special tax levies for each of the six (6) districts in the County.

These 6 districts include:

- Carmangay and District
- Champion and District
- Lomond and District
- Milo and District
- Vulcan and District
- Northwest District

The districts for both Fire Protection and Recreation effectively share the same borders (with some minor variance in locations based on fire response times). Maps of these areas are available on our website:

[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca) >  
DEPARTMENTS > Corporate Services >  
Assessment & Taxation





## Special Tax Rates - Continued

The special tax rates for Fire Protection and Recreation are allocated on the related district rate (as shown on the prior page). The special tax rates for Waterworks is on a per parcel basis that are specifically attached to the related waterlines.

The **Fire Protection Area Rate** is used to fund the operational costs of the fire department in your specific district within the County.



There are currently 4 regionalized fire departments, including Lomond, Carmangay, Champion, and Vulcan. The County directly manages these departments, including setting the operating budget.

The remaining 2 fire departments are currently operated by Fire Associations and have service agreements in place to provide fire protection for the County. These Fire Associations provide the County with their annual operating budgets. These areas include Northwest and Milo.

Each of the districts' operating costs are reviewed by Council and their share of linear and other revenues are applied to offset these costs, resulting in the net amount to be raised by the special tax levies.

The **Recreational Area Rate** is used to fund the recreational activities that occur within your specific district as per your local Recreation Board's recommendations.

For each of the Recreation Areas, the local community groups within these areas provided recreational and cultural requests to the Recreation Board. The Board then reviews the applications and provides recommendations to Council on funding.

Once these recreational recommendations are reviewed by Council, the linear portion is applied against each district, resulting in the net amount to be raised by the special tax levies.



The **Waterworks Rate** is determined by the cost to build the water infrastructure for specific parcels of land. This includes residents using the Mossleigh Water Treatment Plant.



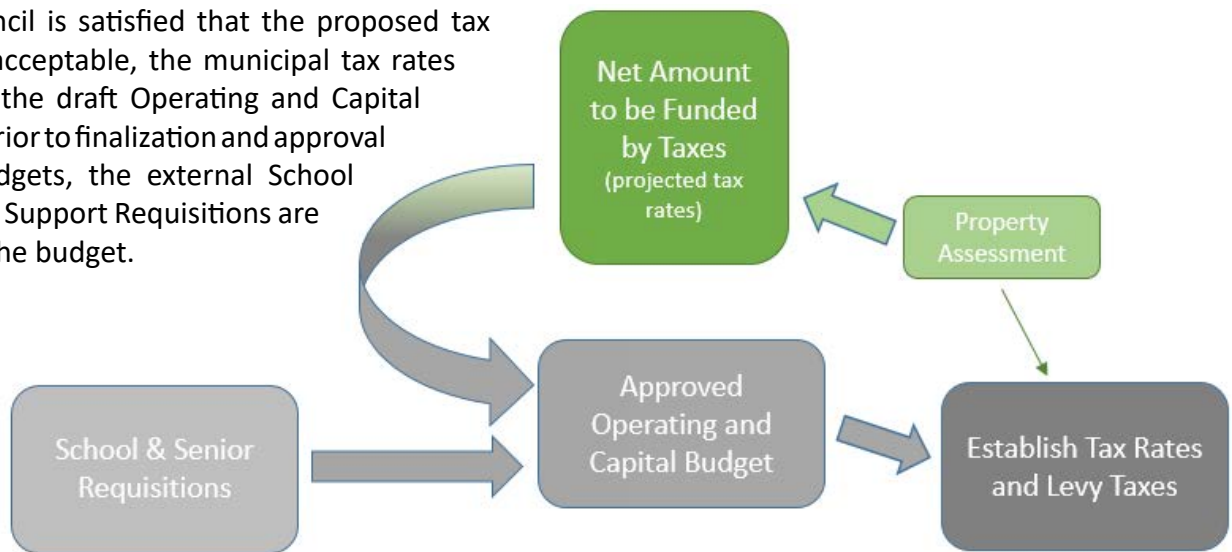
The residents of Kirkcaldy also have this special tax for their connection to the TVRWC water line. These cost recoveries are done over multiple years.





Council considers it a high priority that the County has tax rates in place that are competitive. For this reason, Council and Administration review the rates set by other comparable municipalities. If the projected final rates are not competitive, Council may wish to further review the objectives for the coming year and make changes. Review of the budget will continue until Council as a whole is satisfied.

Once Council is satisfied that the proposed tax rates are acceptable, the municipal tax rates are set in the draft Operating and Capital Budgets. Prior to finalization and approval of the budgets, the external School and Senior Support Requisitions are added to the budget.



The School, Senior & Other Requisitions are provided to the County from the Province and the Senior's Foundation. The County does not have any control over these amounts.

## Requisition Tax Rates

The School Support tax rate and the Seniors Foundation tax rate are set once the County receives the annual requisitions from Alberta Learning and the Marquis Foundation.

Alberta Learning and the Marquis Foundation have requisitioning powers and, as such, the County is obligated by legislation to bill and collect taxes on behalf of Alberta Learning (for the distribution to public and separate school boards) and the Marquis Foundation (for seniors' housing). The County has no jurisdiction or control over their operations or budgeted tax revenue requirements.

All municipalities throughout the Province are required to levy charges on all assessable property (other than Machinery & Equipment and Electrical Power Generating properties). This typically represents approximately 20-25% of your total taxes, and is paid directly to Alberta Learning (Province) and to the Marquis Foundation.



There is also a specific Designated Industrial Property (DIP) Requisition that is only applied to these DIP Properties for covering the related assessment costs that are provided by the Provincial Assessor's Office. The DIP Requisition Rate is set by a Provincial Ministerial Order.





## Property Assessment

Property taxes are levied based on the value of the property as determined from the property assessment process (this method is required by Provincial legislation). Property taxes are not a fee-for-service, but a way of distributing the cost for local government services and programs fairly throughout a municipality. Your property taxes are typically calculated using the market value assessment of your property (some types of property, like farmland, use regulated assessment rates).

Market value is the “most probable price that would be paid for a property in a competitive and open market”. It assumes the buyer and seller are acting prudently and knowledgeably, allowing sufficient time for the sale and assumes that the transaction would not be affected by undue pressures.

The Alberta Government has mandated that property assessment:

- Be completed annually;
- Reflect the market value of a property as of July 1st of the previous year;
- Reflect the characteristics and physical conditions of the property as of December 31st of the previous year.

To keep property details current and at values representing typical market values is a requirement of legislation and other regulations. The property assessment is an estimate of value based on similar properties that have sold in the property’s specific area within the County.

The County contracts the assessment services to Benchmark Assessment Consultants Inc. which are accredited municipal assessors for Alberta (referred to as the Assessor’s Office).

The Assessor’s Office does not create the value of the property; it is created by the real estate marketplace. The Assessor’s Office just measures it. The Alberta Land Titles Office informs the Assessor’s Office of all real estate sales within the County.

The Assessor’s Office applies the accepted mass appraisal best practices using information from all property sales within the County to estimate the market value of the property. They take into account all the market conditions that may affect the property’s value such as location, size, shape, replacement cost, age and condition of the buildings. There are also some Provincial regulations and exemptions that are governed by legislation (i.e. farmland).

For more information on taxation and assessment, please see the forms and brochures (or frequently asked questions) that are available on our website:

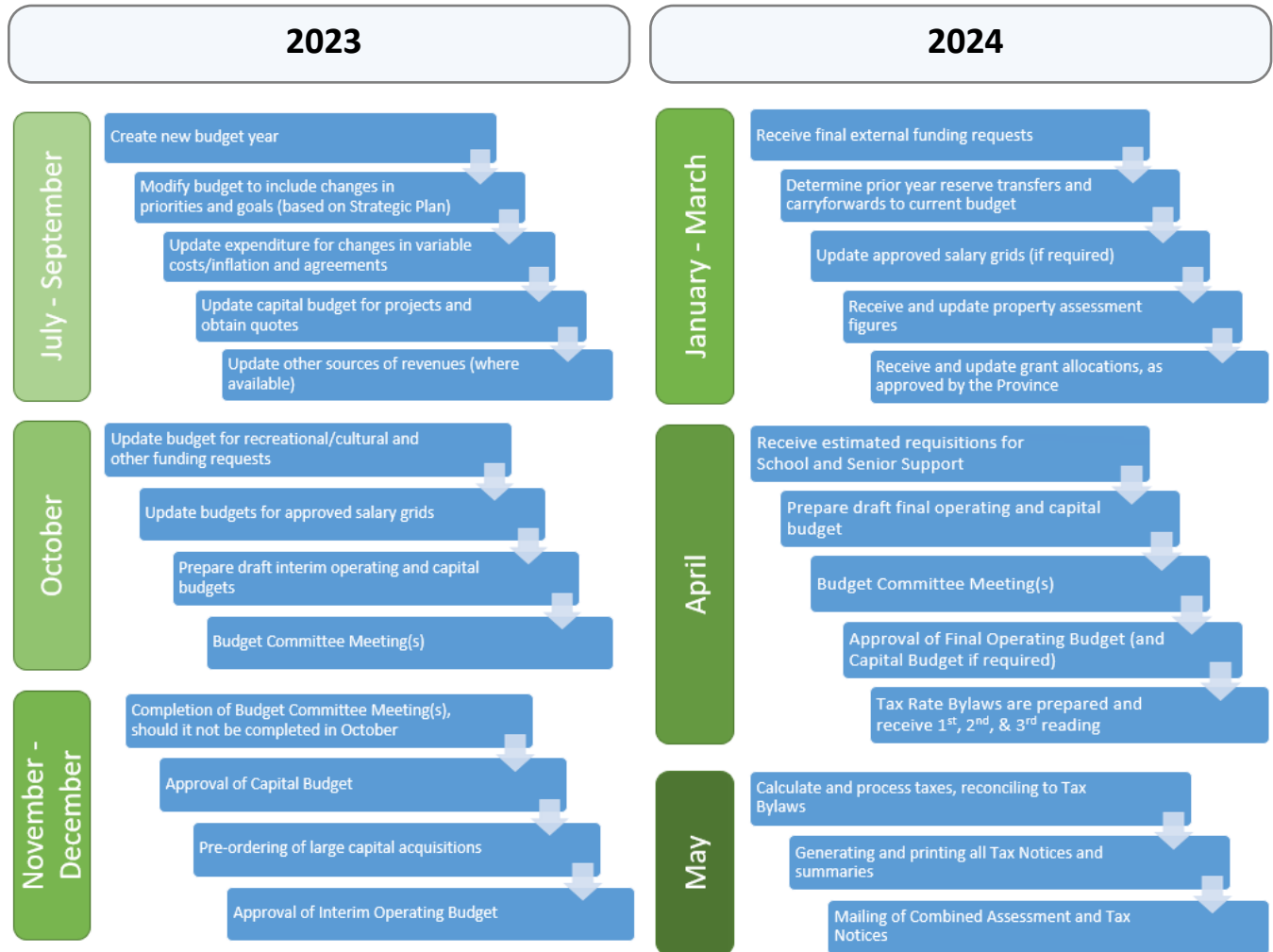
[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca) > DEPARTMENTS > Corporate Services > Assessment & Taxation





# Budget Schedule and Calendar

The following is the budget calendar that was used for the development of the current year budget:



## **BUDGET COMMITTEE MEETING DATES:**

- November 20, 2023 - Interim Budget Committee Meeting
- November 21, 2023 - Interim Budget Committee Meeting
- April 17, 2024 - Final Budget Committee Meeting

## **BUDGET APPROVAL DATES:**

- December 6, 2023 - Approval of Interim Operating and Capital Budgets
- May 1, 2024 - Approval of the 2024 Final Operating and Capital Budgets





The background of the slide is a photograph of a wheat field. In the foreground, a single wheat stalk is in sharp focus, showing its golden-brown grains and long awns. The background is a soft-focus field of similar wheat stalks under a bright blue sky with scattered, light white clouds.

## **SECTION 2 - OPERATING BUDGET**



## Section 2 - OPERATING BUDGET

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# OPERATING BUDGET OVERVIEW

The following is an overview of the County's operating budget. The operating budget outlines the changes in the operating funds and includes all of the municipal programs and services in the operations of the County. The operating fund has the most expenditures each year, with these operating costs being covered by taxation, operating grants, user fees, and other sources of revenues.

## Vulcan County Budget Overview - Operating

### REVENUE:

	Budget 2024	Budget 2023	Change
Net municipal taxes	\$ 17,168,356	\$ 15,555,033	1,613,323
Government transfers - operating	1,015,543	928,671	86,872
Return on investments	726,824	576,824	150,000
Sale of goods, services, and user charges	949,002	1,334,250	(385,248)
Rental Income	320,680	321,980	(1,300)
Community aggregate levy	142,912	140,110	2,802
Penalties and costs of taxes	130,000	194,000	(64,000)
Gain on disposal of tangible capital assets	-	-	-
Other revenue	11,500	28,000	(16,500)
<b>\$ 20,464,818</b>	<b>\$ 19,078,869</b>	<b>\$ 1,385,949</b>	

### EXPENSES:

Salaries, wages and benefits	\$ 9,312,253	\$ 8,226,494	1,085,759
Contracted and general services	3,370,418	3,094,795	275,623
Materials, goods and utilities	3,291,582	3,240,880	50,702
Transfers to local boards and agencies	2,025,374	2,015,092	10,282
Interest and bank charges	42,068	45,142	(3,074)
Amortization of tangible capital assets	4,877,771	4,818,615	59,156
Machine expenses capitalized for construction	(2,134,920)	(2,066,788)	(68,132)
Loss on disposal of tangible capital assets	-	-	-
Other expenses	264,021	40,163	223,858
<b>\$ 21,048,567</b>	<b>\$ 19,414,393</b>	<b>1,634,174</b>	

### OPERATING SURPLUS (DEFICIT)

<b>(583,750)</b>	<b>(335,524)</b>	<b>(248,225)</b>
------------------	------------------	------------------

### RESERVE AND CAPITAL TRANSFERS:

Transfer of Amortization	4,877,771	4,818,615	59,156
Transfer of ARO Accretion	20,046	-	20,046
Transfer of Gain/Loss on disposal	-	-	-
Transfer from Reserves	1,527,204	1,000,595	526,609
Transfer to Reserves	(3,694,351)	(4,178,067)	483,716
Transfer to Capital Functions - Operating	(2,146,920)	(1,305,619)	(841,301)
Transfer to Other Functions & Inventory	-	-	-
Transfer of Principal Repayment	-	-	-
	583,750	335,524	248,226

### TOTAL NET EFFECT ON ACCUMULATED SURPLUS

<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
-------------	-------------	-------------

The Operating Budget is provided in detail within three (3) major sections:

*Click the icons to go to the related section*



Operating  
Revenues



Operating  
Expenses

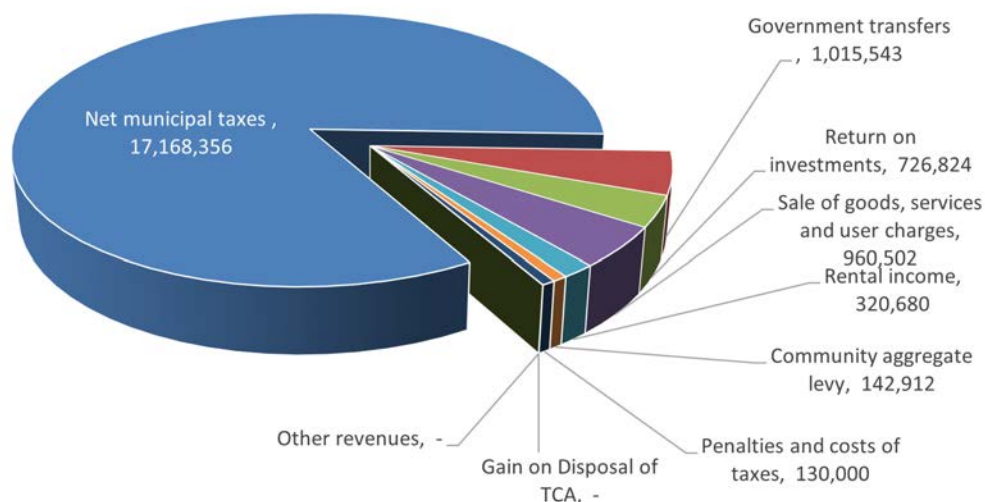


Segment  
Reporting

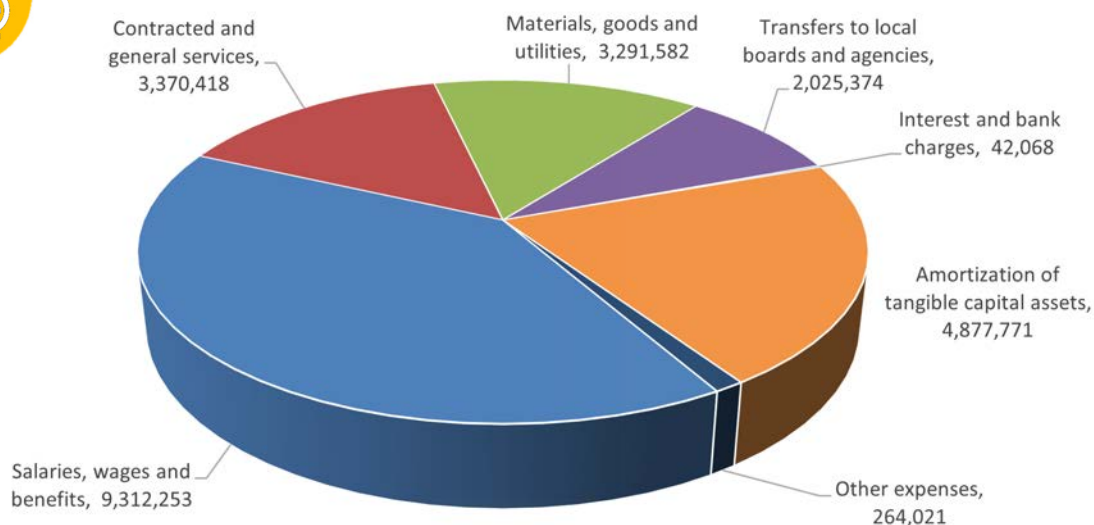




### Summary of Operating Revenues (by type):



### Summary of Operating Expenses (by type):



#### Expenses - by type/object

Salaries, wages and benefits	9,312,253	40.2%
Contracted and general services	3,370,418	14.5%
Materials, goods and utilities	3,291,582	14.2%
Transfers to local boards and agencies	2,025,374	8.7%
Interest and bank charges	42,068	0.2%
Amortization of tangible capital assets	4,877,771	21.0%
Other expenses	264,021	1.1%
	<b>23,183,487</b>	
Machine expenses capitalized for construction	<b>(2,134,920)</b>	
	<b>21,048,567</b>	

#### Expenses - by segment/department

General Government	3,284,135	15.6%
Legislative	583,963	
Administration	2,476,843	
Other General	223,329	
Protective Services	3,328,847	15.8%
Transportation Services	10,545,984	50.1%
Agricultural Services	905,389	4.3%
Planning and Development Services	825,947	3.9%
Community Services	988,757	4.7%
Family and Community Services	219,763	
Parks and Recreation	726,618	
Tourism and Economic Development	42,376	
Utility Services	1,169,508	5.6%
	<b>21,048,567</b>	



The Operating Budget is reported both by type and by the segment/department. The above is a reconciliation between the expenses by type and by segment/department.





# OPERATING BUDGET BY TYPE



## Operating Revenues - Overview

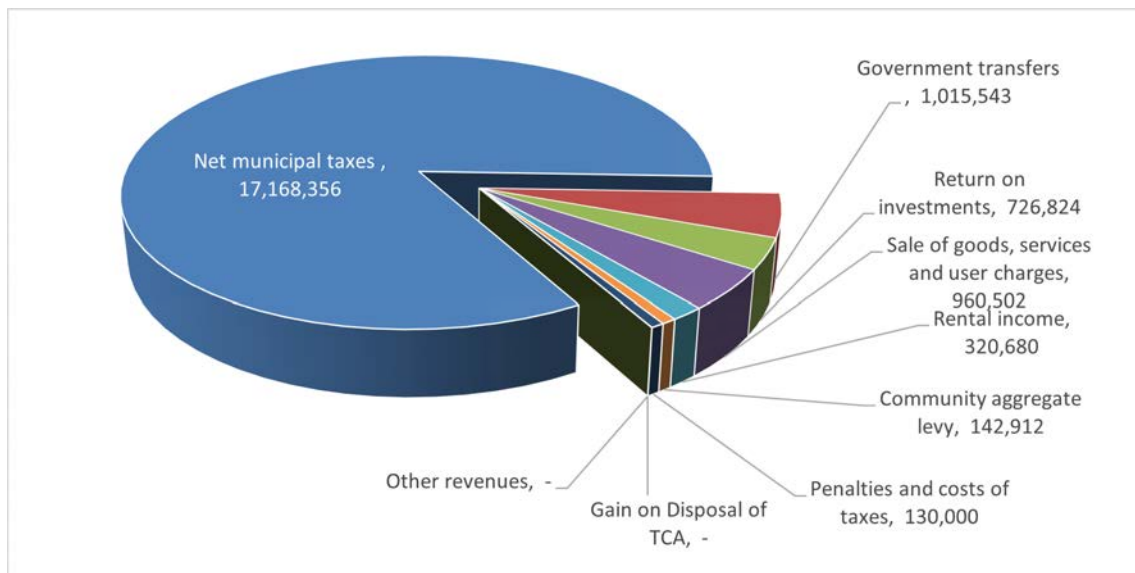
The County's operating revenues are typically budgeted on a conservative basis; the revenues are only included in the budget if they are considered to be more than likely to be received.

Typically, these operating revenues are determined by historical revenues received, funding agreements that are in place, and projected changes in service levels. Often many of the revenues correlate to expenditures that are also projected, such as government transfers for grant funding of operating costs.

The following is the 2024 budgeted operating revenues:

Net municipal taxes	17,168,356	83.9%
Government transfers	1,015,543	5.0%
Return on investments	726,824	3.6%
Sale of goods, services and user charges	960,502	4.7%
Rental income	320,680	1.6%
Community aggregate levy	142,912	0.7%
Penalties and costs of taxes	130,000	0.6%
Gain on Disposal of TCA	-	0.0%
Other revenues	-	0.0%
	<b>20,464,818</b>	

As shown, the taxation revenues (net of requisitions) represent the majority of the operating revenues from the County.



The other sources other than taxation are often somewhat limited in what is available to the County.

These operating revenues will be shown in detail in the following sections.



## Operating Revenues - Details



### Taxation

As part of the municipal budget process, County Council approves the amount of funds required to provide the required municipal services. From this amount, all other sources of municipal revenues and transfers, other than taxation, are subtracted (such as Provincial grants, investment income, user fees, etc.). This net remaining amount is to be raised by property taxation.

	2024 Assessment	2023 Assessment	% change Assessment
Residential	672,341,060	574,714,680	16.99%
Commercial & Industrial	128,267,030	117,619,200	9.05%
Farmland	205,080,940	205,106,450	-0.01%
Machinery & Equipment (M&E)	77,381,400	78,620,730	-1.58%
Linear	1,097,080,090	634,671,090	72.86%
	2,180,150,520	1,610,732,150	35.35%
Supplementary	-	200,000,000	-100.00%
	<b>2,180,150,520</b>	<b>1,810,732,150</b>	<b>20.40%</b>

As shown above, the County had an approximate 20.40% increase in taxable assessment; whereas, the County had a significant increase in linear assessment with one of the largest solar projects in Canada (Travers Solar - 465 Megawatt production capacity) recently being completed and commissioned within the County. The total taxable assessment from this solar farm and other linear growth was a total of \$462.4 million or 72.86% (excluding the estimated supplementary assessment from the prior year). There was also a 16.99% increase in overall residential assessment; whereas, the vast majority of this increase related to inflationary increases.

As part of the County's Strategic Planning, Council and Administration reviewed many different scenarios and analysis, including comparing tax rates and assessment to neighboring and other comparable municipalities during the budget process. This is done in an effort to ensure Vulcan County's rates are competitive while still addressing the unique needs of the County. Although there were many challenges with Budget 2024, including inflationary costs that have a large impact on the County, the County was able to minimize these costs as much as possible and able to utilize assessment growth to strategically achieve further tax rate reductions for 2024, including a 31.67% reduction in the general municipal residential tax rate and a 4.45% reduction in the general municipal non-residential tax rates. This is the 2nd year in a row that the County was able to significantly reduce the general municipal tax rates; whereas, in 2023 there was also a 40.00% reduction in the general municipal residential tax rate and a 5.50% reduction in the general municipal non-residential tax rates. The following was the resulting taxation budget (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>Net municipal taxes</b>						
Real property taxes	\$ 7,626,467	\$ 7,622,793	\$ 7,363,349	\$ 7,200,747	\$ 7,219,462	\$ 7,219,462
Linear taxes	9,067,845	11,092,101	11,158,918	11,822,556	13,044,059	13,044,059
Commercial taxes	1,610,501	1,618,351	1,710,405	1,647,695	1,650,208	1,650,208
Government grants in lieu of taxes	21,507	19,745	21,661	21,661	21,661	21,661
Special levy	1,365,200	1,586,411	1,509,962	1,423,683	1,440,589	1,440,589
Well drilling tax	156	117	156	156	156	156
	19,691,676	21,939,518	21,764,451	22,116,498	23,376,135	23,376,135
School requisitions	(3,299,142)	(3,138,039)	(3,588,907)	(3,588,907)	(3,588,907)	(3,588,907)
Designated industrial	(55,177)	(68,938)	(92,471)	(92,471)	(92,471)	(92,471)
RCMP requisitions	(241,049)	(241,049)	(354,204)	(354,204)	(354,204)	(354,204)
Seniors foundation	(541,275)	(547,654)	(560,513)	(560,513)	(560,513)	(560,513)
	<b>15,555,033</b>	<b>17,943,837</b>	<b>17,168,356</b>	<b>17,520,403</b>	<b>18,780,040</b>	<b>18,780,040</b>

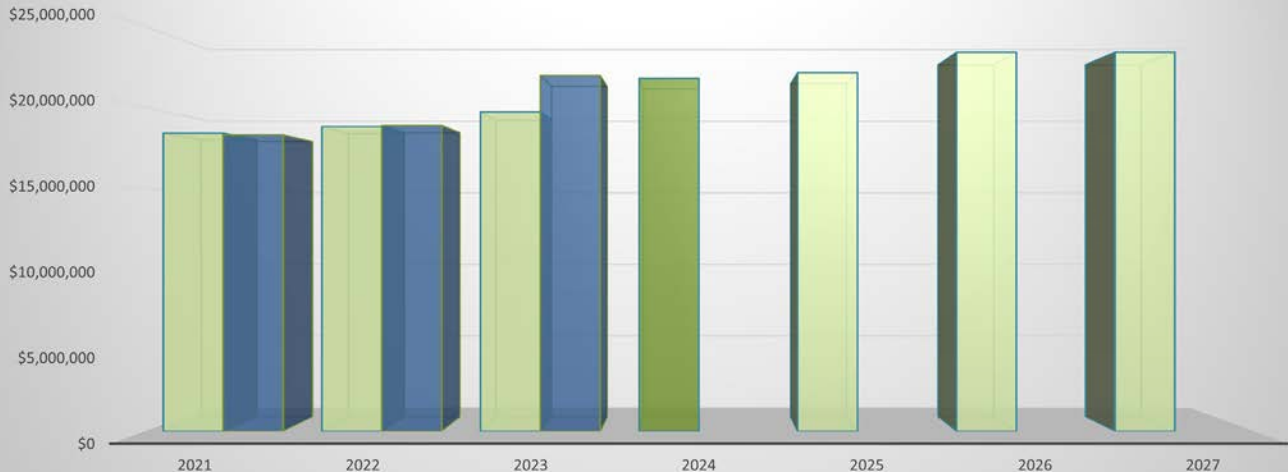


## Taxation - Continued

The following was the resulting taxation revenues and related requisitions (with projections for the following three years):

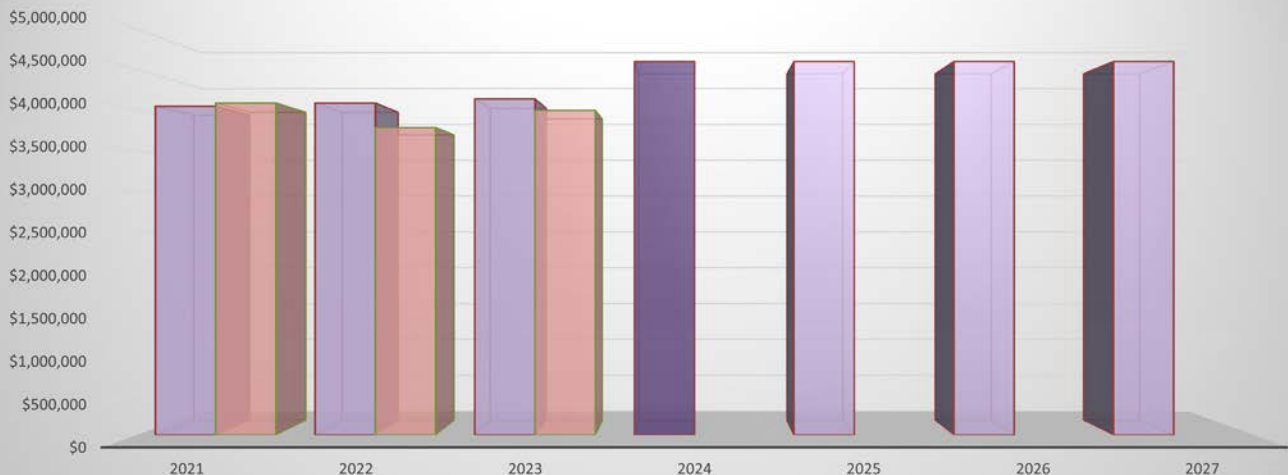


**Tax Revenues**



	2021	2022	2023	2024	2025	2026	2027
Budget	\$18,389,106	\$18,795,765	\$19,691,676	\$21,764,451	\$22,116,498	\$23,376,135	\$23,376,135
Year to Date	\$18,275,571	\$18,863,342	\$21,939,518				

**Requisitions**



	2021	2022	2023	2024	2025	2026	2027
Budget	\$4,046,449	\$4,085,392	\$4,136,643	\$4,596,095	\$4,596,095	\$4,596,095	\$4,596,095
Year to Date	\$4,085,776	\$3,784,114	\$3,995,681				

As shown above, there has been an increase in the budgeted tax revenues for 2024 with the increases in assessment value, which generated higher total taxation revenues, even with the reductions in the residential and non-residential general municipal tax rates. These reductions in these general municipal rates were done strategically to fund the additional tax revenues required for operations with utilizing the increased assessment. The 2023 supplementary taxable assessment from this solar farm was estimated to be approx. \$200 million; however, the actual supplementary assessment was approx. \$362 million (as it was budgeted based on a conservative basis). The 2024 estimated tax revenues is slightly less than the 2023 actuals with the reduced tax rates (even if the assessment has increased from actual).





The Tax Revenue projections for 2025-2026 are based on the 2024 budget and the projected increase in tax revenues from these large linear projects coming on-line (including the Buffalo Plain Wind Project starting mid-2025) and other trend analysis. These future tax revenues will be examined more closely in future budget years to determine if there will be increased revenue or if there will potentially be tax rate reductions (maintaining or minimizing increase to tax revenue levels).

As shown in the Requisitions, there is a significant decrease in total requisitions for 2021 and 2023 from receiving specific Provincial Education Requisition Credit (PERC) for previously written off tax accounts (oil & gas accounts). The total requisitions are expected to increase in 2024 with the higher equalized assessment base and linear assessment and then remain relatively consistent over the next couple years. Requisition Tax Rates are directly co-related to the amount requisitioned; therefore, if there were future changes, the related tax revenues would effectively increase at the same rate (nil effect on the operating budgets).



At the Regular Council meeting on May 1st, 2024, County Council approved and established the 2024 General Tax Rate and Special Levy Bylaws. These Tax Rate Bylaws are a result of the approved 2024 Operating and Capital Budgets.

- 2024 General Tax Rates (Bylaw 2024-005) for tax rates on the General Municipal, Waste Commission, RCMP, School Requisitions, and the Seniors Requisition.
- 2024 Special Levy Tax Rates (Bylaw 2024-006, 2024-007 & 2024-008) for tax rates on the special tax levies for the fire protection areas, the recreational areas, and the waterworks upgrades.
- 2024 Designated Industrial Property Tax Rate (Bylaw 2024-009) for tax rates on designated industrial properties (DIP) which are designed to recoup the cost of provincial assessment of those DIP properties.

*There were no Supplementary Assessment and Tax Levies Bylaws established for 2024; whereas, the County used this for the 1st time in 2023 to account for the large linear project. It is still to be determined whether or not Supplementary Assessment and Tax Levies Bylaws will be applied in 2025 for the next large-scale linear project being completed and commissioned.*

**The Tax Rate Bylaws are also available on our website:**

[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca) > **YOUR GOVERNMENT** > **Bylaws**





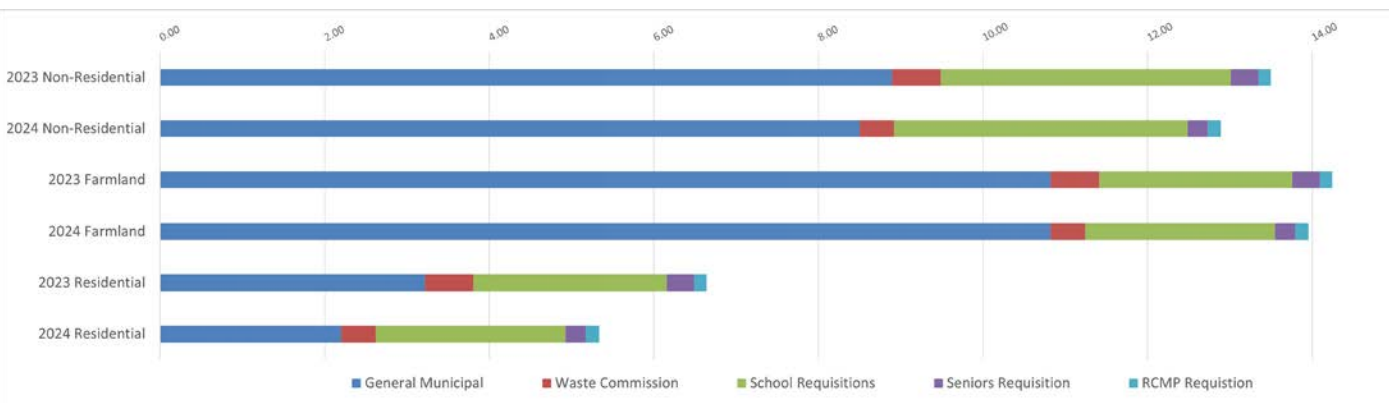
## Taxation - Continued

The following is a comparison of the County-Wide tax rates, assessment, and total tax revenues; including the General Municipal, Waste Commission, and Requisition Tax Rates as outlined within the General Tax Rate Bylaw (compared to the prior year):



### Municipal Tax Rates and Assessment Summary

General Municipal									
	2023			2024			% change		
	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	
Residential	574,714,680	0.0032196	1,850,351	672,341,060	0.0022000	1,479,150	16.99%	-31.67%	
Farmland	205,106,450	0.0108230	2,219,867	205,080,940	0.0108230	2,219,591	-0.01%	0.00%	
Non-Residential	830,911,020	0.0088962	7,391,976	1,302,728,520	0.0085000	11,073,191	56.78%	-4.45%	
	1,610,732,150		11,462,194	2,180,150,520		14,771,932	35.35%		
Supplementary - Non-Residential	200,000,000	0.0088962	1,779,246	-	0.0085000	-	-100.00%	-4.45%	
	1,810,732,150		13,241,440	2,180,150,520		14,771,932	20.40%		
Waste Commission									
	2023			2024			% change		
	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	
Residential	574,714,680	0.0005887	338,335	672,341,060	0.0004188	281,576	16.99%	-28.86%	
Farmland	205,106,450	0.0005887	120,746	205,080,940	0.0004188	85,888	-0.01%	-28.86%	
Non-Residential	830,911,020	0.0005887	489,157	1,302,728,520	0.0004188	545,583	56.78%	-28.86%	
	1,610,732,150		948,238	2,180,150,520		913,047	35.35%		
School Support - Public & Separate Schools									
	2023			2024			% change		
	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	
Residential	574,597,720	0.0023470	1,348,581	672,176,320	0.0023091	1,552,123	16.98%	-1.61%	
Farmland	204,527,440	0.0023470	480,026	204,501,930	0.0023091	472,215	-0.01%	-1.61%	
Non-Residential	416,782,710	0.0035283	1,470,534	438,516,750	0.0035678	1,564,540	5.21%	1.12%	
	1,195,907,870		3,299,141	1,315,195,000		3,588,878	9.97%		
Exempt Assessment Types	414,824,280	N/A	-	864,955,520	N/A	-	108.51%		
	1,610,732,150		3,299,141	2,180,150,520		3,588,878	35.35%		
Seniors Support - Marquis Foundation									
	2023			2024			% change		
	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	
Residential	574,714,680	0.0003360	193,104	672,341,060	0.0002437	163,850	16.99%	-27.47%	
Farmland	205,106,450	0.0003360	68,916	205,080,940	0.0002437	49,978	-0.01%	-27.47%	
Non-Residential	830,911,020	0.0003360	279,186	1,302,728,520	0.0002437	317,475	56.78%	-27.47%	
	1,610,732,150		541,206	2,180,150,520		531,303	35.35%		
Royal Canadian Mounted Police (RCMP) Funding									
	2023			2024			% change		
	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	
Residential	574,714,680	0.0001497	86,035	672,341,060	0.0001636	109,995	16.99%	9.29%	
Farmland	205,106,450	0.0001497	30,704	205,080,940	0.0001636	33,551	-0.01%	9.29%	
Non-Residential	830,911,020	0.0001497	124,387	1,302,728,520	0.0001636	213,127	56.78%	9.29%	
	1,610,732,150		241,126	2,180,150,520		356,673	35.35%		







## 2024 General Tax Rates (Bylaw 2024-005):

The General Tax Rate Bylaw sets the rates required to raise the necessary revenues to cover the municipal expenditures and transfers, the levies for the Waste Commission, and the levies required to be collected for the Public and Separate School Requisitions, the Seniors Foundation Requisition, and the Royal Canadian Mounted Police (RCMP) costs. These tax rates are applied County-wide. The following are the General Tax Rates as expressed in mills (1:1000):

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
<b>MUNICIPAL</b>					
Residential	5.3660	5.3660	5.3660	3.2196	2.2000
Farmland	10.8230	10.8230	10.8230	10.8230	10.8230
Non-Residential, M&E, and Linear	9.4140	9.4140	9.4140	8.8962	8.5000
<b>WASTE COMMISSION</b>					
	0.4690	0.5197	0.5599	0.5887	0.4188
<b>EDUCATION REQUISITION</b>					
Residential and Farmland	2.5500	2.6137	2.6500	2.3470	2.3091
Non-Residential and Linear	3.7500	4.0890	3.9000	3.5283	3.5678
<b>SENIOR FOUNDATION REQUISITION</b>					
	0.2682	0.3399	0.3304	0.3360	0.2437
<b>OTHER REQUISITION</b>					
Royal Canadian Mounted Police	0.0822	0.1256	0.1633	0.1497	0.1636

The General Municipal Tax Rates had one of the largest changes for the County, including a 31.67% reduction in the general municipal residential tax rate and a 4.45% reduction in the general municipal non-residential tax rates. The general farmland tax rate remained the same as the prior year. This is the 2nd year in a row that the County was able to significantly reduce the general municipal tax rates; whereas, in 2023 there was also a 40.00% reduction in the general municipal residential tax rate and a 5.50% reduction in the general municipal non-residential tax rates.

The Waste Commission tax rates are applied to cover the County's share of the operational costs of the Vulcan and District Waste Commission. As a member of this Commission, the County covers 55-60% of these costs (based on the populations within the County). The requisition increased to \$962,993 in 2024 (previously \$948,214). The County was able to utilize specific reserves (over the next couple years) to mitigate the increases in this requisition; whereas, this also reduced the tax rates.

The School Requisition rates are for the requisitions from Alberta Learning (Alberta School Foundation Fund and Christ the Redeemer CSRD) which are based on equalized assessment throughout the Province. Seniors Requisition rates are for the requisition from the Marquis Foundation. Alberta Learning and the Marquis Foundation have requisitioning powers and, as such, the County is obligated by legislation to bill and collect taxes on their behalf. The County has no control over the amounts required to be collected by these organizations. The County was able to utilize specific reserves (over the next couple years) to mitigate the increases in the senior foundation requisition; whereas, this also reduced the tax rates.

Starting in 2020, the County has also been requisitioned for Royal Canadian Mounted Police (RCMP) costs with a mill rate of 0.1636 for 2024 (previously 0.1497 mills). The RCMP are the main policing force operating within Vulcan County.







## Taxation - Continued

The Special Levy Tax Rate Bylaws set the rates required to raise the necessary revenues to district and/or parcel specific expenditures in accordance with Division 5 of the Municipal Government Act. These specific expenditures include the operating and capital costs of the Fire and Recreational Districts and recovery of costs for the Mossleigh Water Treatment Plant and the Kirkcaldy water line. These special tax rates are only applied to the district and/or parcels of land that the costs are associated with.

The following is a comparison of the District specific special tax rates, assessment, and total tax revenues; including the Fire Protection Area and the Recreation Tax Rates as outlined within the Special Tax Rate Bylaws (compared to the prior year):

### Municipal Tax Rates and Assessment Summary

Fire Protection Areas									
	2023			2024			% change		
	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	
23-21 - Fire - Carmangay	82,447,160	0.0010187	83,989	96,299,860	0.0009692	93,334	16.80%	-4.86%	
23-20 - Fire - Champion	86,978,050	0.0013238	115,142	96,368,260	0.0010364	99,876	10.80%	-21.71%	
23-19 - Fire - Lomond	205,480,140	0.0004736	97,315	232,941,680	0.0003158	73,563	13.36%	-33.32%	
23-17 - Fire - Milo	112,910,860	0.0011777	132,975	125,616,640	0.0010649	133,769	11.25%	-9.58%	
23-18/27 - Fire - Vulcan	274,735,710	0.0003215	88,328	301,491,410	0.0002496	75,252	9.74%	-22.36%	
23-16 - Fire - Northwest	213,509,140	0.0007992	170,637	230,352,580	0.0005764	132,775	7.89%	-27.88%	
23-01 - Fire - Linear	634,671,090	0.0003618	229,624	1,097,080,090	0.0003618	396,924	72.86%	0.00%	
	1,610,732,150		918,010	2,180,150,520		1,005,493	35.35%		

Recreation Areas									
	2023			2024			% change		
	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	Tax Levy	Assessment	Tax Rate	
71-01/74-02 - Recreation - Carmangay	81,746,090	0.0005031	41,126	95,511,090	0.0004825	46,084	16.84%	-4.09%	
71-01/74-02 - Recreation - Champion	87,577,220	0.0005994	52,494	97,028,980	0.0005795	56,228	10.79%	-3.32%	
71-01/74-02 - Recreation - Lomond	216,851,080	0.0000571	12,382	248,277,230	0.0002157	53,553	14.49%	277.76%	
71-01/74-02 - Recreation - Milo	100,952,590	0.0006015	60,723	109,683,590	0.0005531	60,666	8.65%	-8.05%	
71-01/74-02 - Recreation - Vulcan	275,424,940	0.0004569	125,842	302,812,600	0.0004308	130,452	9.94%	-5.71%	
71-01/74-02 - Recreation - Northwest	213,509,140	0.0002340	49,961	229,756,940	0.0002204	50,638	7.61%	-5.81%	
71-01/74-02 - Recreation - Linear	634,671,090	0.0001388	88,092	1,097,080,090	0.0000823	90,290	72.86%	-40.71%	
	1,610,732,150		430,620	2,180,150,520		487,911	35.35%		

The Fire Protection and Recreation Rates are special tax levies for each of the six (6) districts in the County. There is also a specific special tax levy for linear properties.

These 6 districts include:

- Carmangay and District
- Champion and District
- Lomond and District
- Milo and District
- Vulcan and District
- Northwest District

The districts for both Fire Protection and Recreation effectively share the same borders (with some minor variance in locations based on fire response times). Maps of these areas are available on our website:

[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca) >  
 DEPARTMENTS > Corporate Services >  
 Assessment & Taxation

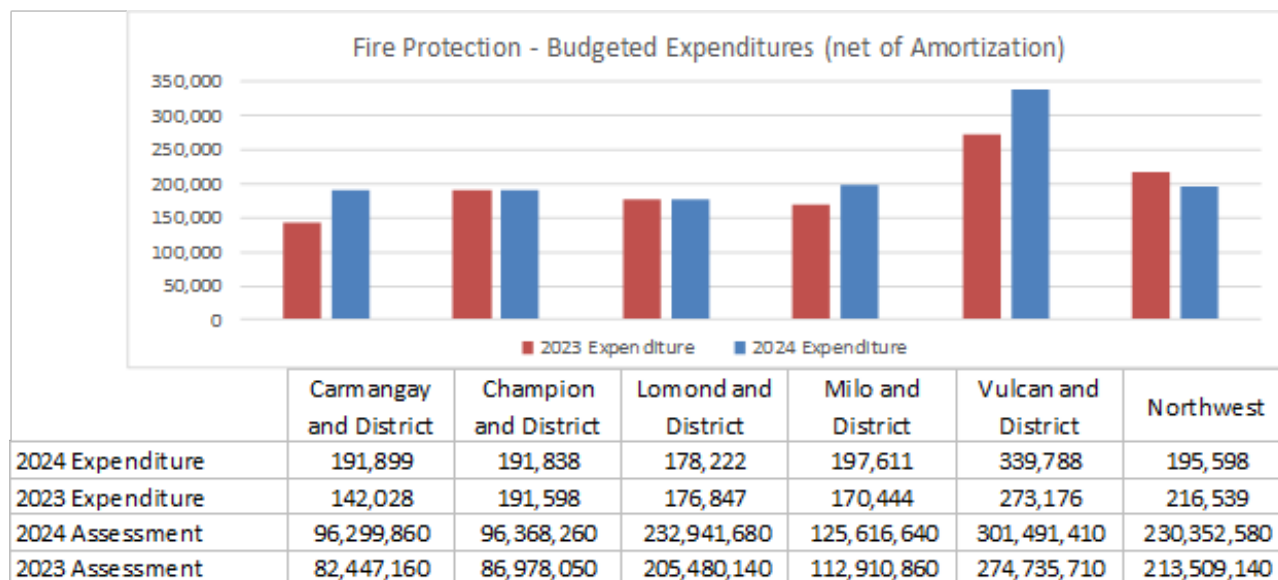






## 2024 Fire Protection Tax Rates (Bylaw 2024-006):

The Fire Protection Tax Rate Bylaw sets the rates required to raise the necessary revenues to cover the fire district specific expenditures and transfers for each of the fire departments.



**Carmangay and District** – total of \$191,899 area cost with a total of \$98,565 of revenues (other than taxes), resulting in \$93,334 to be raised by special levies. Based on \$96.30 million in taxable assessment, the special levies equate to a rate of 0.9692 mills (0.0009692).

**Champion and District** – total of \$191,838 area cost with a total of \$91,963 of revenues (other than taxes), resulting in \$99,875 to be raised by special levies. Based on \$96.37 million in taxable assessment, the special levies equate to a rate of 1.0364 mills (0.0010364).

**Lomond and District** – total of \$178,222 area cost with a total of \$104,660 of revenues (other than taxes), resulting in \$73,562 to be raised by special levies. Based on \$232.94 million in taxable assessment, the special levies equate to a rate of 0.3158 mills (0.0003158).

**Milo and District** – total of \$197,611 area cost mostly from the request of the Fire Association with a total of \$63,842 of revenues (other than taxes), resulting in \$133,769 to be raised by special levies. Based on \$125.62 million in taxable assessment, the special levies equate to a rate of 1.0649 mills (0.0010649).

**Vulcan and District** – total of \$339,788 area cost with a total of \$264,536 of revenues (other than taxes), resulting in \$75,252 to be raised by special levies. Based on \$301.49 million in taxable assessment, the special levies equate to a rate of 0.2496 mills (0.0002496).

**Northwest** – total of \$195,598 area cost mostly from the request of the Fire Association with a total of \$62,823 of revenues (other than taxes), resulting in \$132,775 to be raised by special levies. Based on \$230.35 million in taxable assessment, the special levies equate to a rate of 0.5764 mills (0.0005764).





## Taxation - Continued

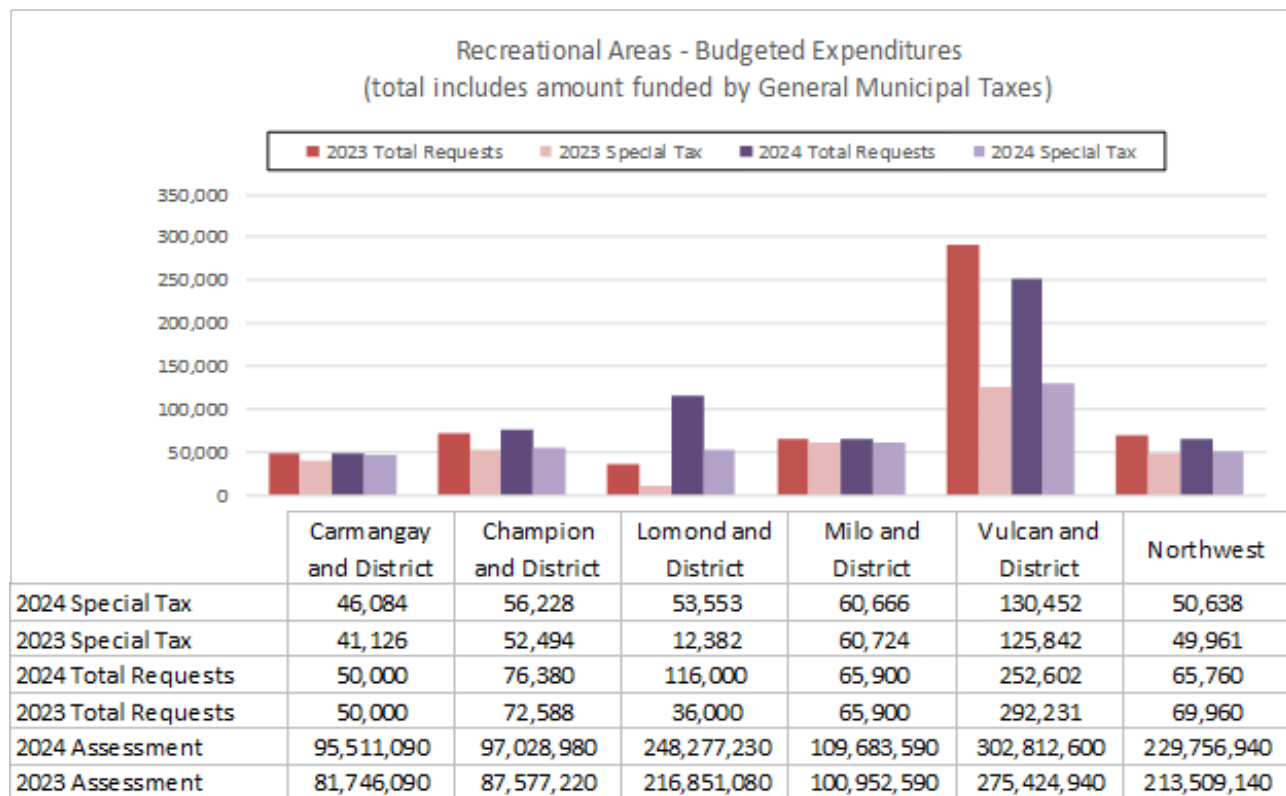


The following are the Special Levy Tax Rates as expressed in mills (1:1000):

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
<b>SPECIAL LEVY - FIRE PROTECTION AREA</b>					
Carmangay and District	1.4430	0.7673	0.9142	1.0187	0.9692
Champion and District	1.1067	0.8920	1.1036	1.3238	1.0364
Lomond and District	0.6864	0.4328	0.5241	0.4736	0.3158
Milo and District	1.2271	1.1928	1.2897	1.1777	1.0649
Vulcan and District	0.2896	0.2665	0.3299	0.3215	0.2496
Northwest	0.6261	0.8495	0.7425	0.7992	0.5764
Linear	0.3618	0.3618	0.3618	0.3618	0.3618

### **2024 Recreation Tax Rates (Bylaw 2024-007):**

The Recreation Tax Rate Bylaw sets the rates required to raise the necessary revenues to cover the recreation district specific expenditures and transfers for each of the recreational areas:



The County maintains a separate Recreation Board representing each of the recreational areas. These Recreation Board include members-at-large within the recreational area and also have a County Councillor included on each of these Recreational Board. The Recreation Boards review each of the area's recreational/cultural funding requests and make recommendations to Council for funding these related recreational funding requests. [A priority was set for 2024 to review and update the recreation/cultural funding process and procedures.](#)







**Carmangay and District** – Approved requests for the district totalled \$50,000. The linear portion allocated was \$3,916. The result was that \$46,084 was raised by special levies. Based on \$95.51 million in taxable assessment, the special levies equate to a rate of 0.4825 mills (0.0004825).

**Champion and District** – Approved requests for the district totalled \$76,380. The linear portion allocated was \$5,152. There was \$15,000 in funds from general taxation to cover some of the contributions. The result was that \$56,228 was raised by special levies. Based on \$97.03 million in taxable assessment, the special levies equate to a rate of 0.5795 mills (0.0005795). The item funded with general tax dollars was 50% of the operating costs for the Champion Pool (\$15,000).

**Lomond and District** – Approved requests for the district totalled \$116,000. The linear portion allocated was \$6,197 and \$23,000 was funded from the recreation district reserves. There was \$33,250 in funds from general taxation to cover some of the contributions. The result was that \$53,553 was raised by special levies. Based on \$248.28 million in taxable assessment, the special levies equate to a rate of 0.2157 mills (0.0002157). The item funded with general tax dollars was 50% of the operating costs for the Lomond Community Centre (\$20,750) and reserve allocation (\$12,500).

**Milo and District** – Approved requests for the district totalled \$65,900. The linear portion allocated was \$5,234. The result was that \$60,666 was raised by special levies. Based on \$109.68 million in taxable assessment, the special levies equate to a rate of 0.5531 mills (0.0005531).

**Vulcan and District** – Approved requests for the district totalled \$252,602. The linear portion allocated was \$13,910. There was \$108,240 in funds from general taxation to cover some of the contributions. The result was that \$130,452 was raised by special levies. Based on \$302.81 million in taxable assessment, the special levies equate to a rate of 0.4308 mills (0.0004308). The items funded with general tax dollars were 50% of the operating costs for the Vulcan Arena (\$37,500) and the Vulcan Pool (\$45,000), funding for Summer Games (\$8,000), funding for Food Bank (\$2,000) and part of the reserve top-up.

**Northwest** – Approved requests from the Recreation Board totalled \$65,760. The linear portion allocated was \$10,122 and \$5,000 was funded from the recreation district reserves. The result was that \$50,638 was raised by special levies. Based on \$229.76 million in taxable assessment, the special levies equate to a rate of 0.2204 mills (0.0002204).

The following are the Special Levy Tax Rates as expressed in mills (1:1000):

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
<b>SPECIAL LEVY - RECREATIONAL AREA</b>					
Carmangay and District	0.8548	0.6411	0.5859	0.5031	0.4825
Champion and District	0.5490	0.6420	0.7059	0.5994	0.5795
Lomond and District	0.3172	0.1623	0.0810	0.0571	0.2157
Milo and District	0.7724	0.6345	0.6163	0.6015	0.5531
Vulcan and District	0.7233	0.6580	0.6571	0.4569	0.4308
Northwest	0.2209	0.2835	0.2522	0.2340	0.2204
Linear	0.1388	0.1388	0.1388	0.1388	0.0823

*Majority of the recreation special tax rates saw a reduction, other than Lomond and District which had a significant increase from the prior year; however, this was due to the Lomond Community Centre not being operated in the last couple years. Even with the increase in the Lomond and District rates, it is still one of the lower recreational rates in the County.*





### **2024 Waterworks Tax Rates (Bylaw 2024-008):**



There were no changes to the Waterworks Special Levy Tax Rates (Mossleigh Water Treatment Plant) of \$368.55 per parcel. This charge is based on the amount of parcels that are connected to the waterline and is currently being recovered over 20 years. Total recovery is \$11,425 including the 31 parcels connected.

The per parcel Special Levy applicable to Kirkcaldy is \$365.21. This is expected to cover the costs of the installation of the water line over a 25 year period. Total recovery is \$5,113 including the 14 parcels connected.

### **2024 Designated Industrial Property (DIP) Requisition (Bylaw 2024-009):**

The Designated Industrial Property (DIP) Bylaw allows the County to bill back the costs of assessment for specific properties, the assessment of which, as of 2024, is under control of the province directly. The County pays our contract assessor to perform the assessment, and the province reimburses for those costs. The County then levies the property owners and forwards that money to the province, effectively charging the property owners for their own assessment.

This is a matter of regulation, which is set by Provincial Ministerial Order, and the County has no control over it. The Province sets the mill rate for this levy which is currently 0.0765 mills (0.0000765). The Total Tax Revenues for the DIP Requisition is \$92,471 (based on applicable DIP assessment of \$1,208,764,750). This was an increase from the prior year with the new linear assessment growth.



**All of the County's Bylaws may also be seen on our website:**

[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca) > *YOUR GOVERNMENT* > *Bylaws*



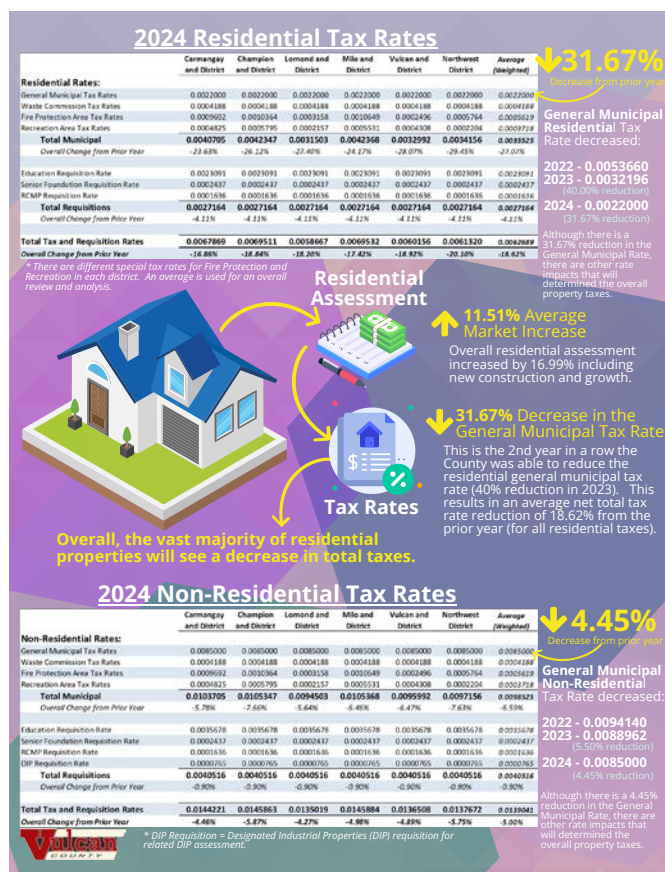
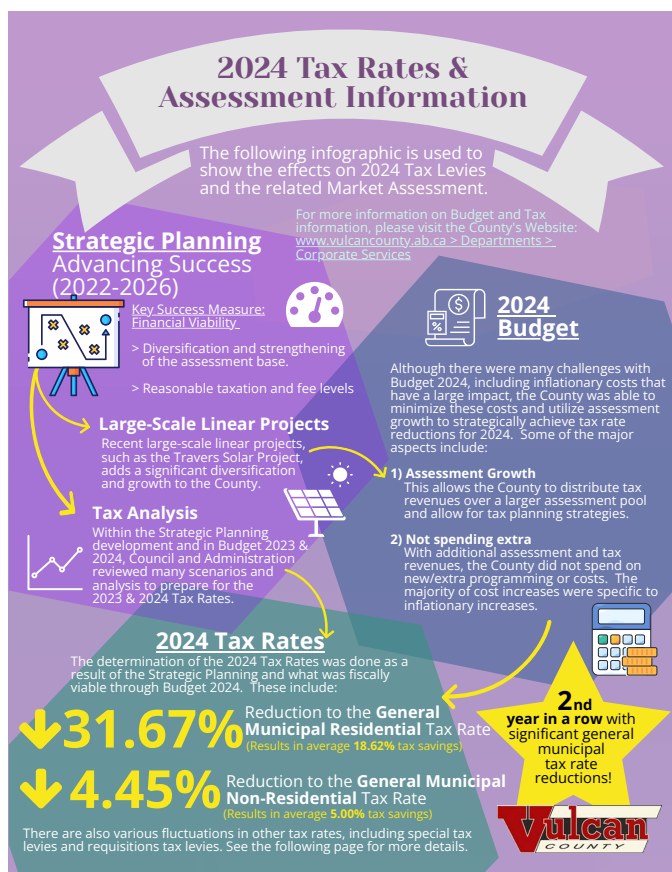


## Additional Information on Assessment & Taxation:

In an attempt to be as transparent as possible, the County provides as much information as possible on assessment and taxation as these aspects are key for our ratepayers and community. For additional details on assessment and taxation, including overviews, forms/brochures, property tax calculator, TIPP program, FAQ and other details please visit our website:

[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca) > DEPARTMENTS > Corporate Services > Assessment & Taxation

The County has also published infographics to further show the effects on the 2024 Tax Levies and the related Market Assessment (*an additional supplementary information page is available within the appendix relating to a "bell curve" distribution and tax rates on the Performance Measures dashboard*):



See Appendix 3 for the 2024 Tax Rates & Assessment Information Infographics



## Government Transfers / Grants



As part of the municipal budget process, County Council reviews all other sources of municipal revenues, including government transfers. Government transfers include Provincial Grants, Federal Grants, and contributions from other local governments.

The following was the resulting operating government transfers/grants (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>Government transfers</b>						
Provincial government transfers - Operating	\$ 501,561	\$ 556,185	\$ 576,844	\$ 527,163	\$ 527,163	\$ 527,163
Federal government transfers - Operating	249,405	249,405	249,405	249,405	249,405	249,405
Transfers from Local Government - Operating	177,705	298,601	189,295	178,569	182,025	182,025
	<b>928,671</b>	<b>1,104,191</b>	<b>1,015,543</b>	<b>955,137</b>	<b>958,593</b>	<b>958,593</b>



The Operating Government Transfers/Grants can vary significantly from year-to-year, depending on the County's grant applications and whether or not there are specific grant funded projects being completed by the County. The Canadian Community-Building Fund (CCBF) grants utilized for internally constructed projects was delayed in 2021 and recognized in 2022 as these internally constructed projects were delayed due to the staffing impacts with the COVID-19 pandemic. Budget 2022 also included a one-time grant supporting with the Electrical Power for the Industrial Park grants. During the 2023 fiscal year, the County recognized and received \$117,500 for the Airport Runway Re-Seal Project, which was not known nor included when the County developed the 2023 budget.

Budget 2024 has slightly increased from prior year as the AG Service Board Grant allocation increased from \$123,907 to \$166,247. There were also additional fire protection service grants for Search & Rescue and Medical First Responder programs for specific training and equipment. The new Local Government Fiscal Framework (LGFF) replaced the previous Municipal Sustainability Initiative (MSI) Operating grant in 2024; however, the funding allocation remained at \$355,916. CCBF grant allocation and other local government transfers were also updated based on allocations and related funding agreements.





The following are the details of the Provincial Grants, Federal Grants, and contributions from other local governments (with the comparison year):.

<b>Vulcan County Government Transfers - Operating</b>	<b>Budget 2024</b>	<b>Budget 2023</b>	<b>Change</b>
<b>Provincial government transfers - Operating</b>			
LGFF/MSI Operating Grant	\$ 355,916	\$ 355,916	-
AG Service Board Grant	166,247	123,907	42,340
Other Provincial Grants	54,681	21,738	32,942
	<b>\$ 576,844</b>	<b>\$ 501,561</b>	<b>75,282</b>
<b>Federal government transfers - Operating</b>			
Canadian Communities-Building Fund (CCBF) grant	\$ 249,405	\$ 249,405	-
	<b>\$ 249,405</b>	<b>\$ 249,405</b>	-
<b>Transfers from Local Government - Operating</b>			
Doctor Retention Program	\$ 60,150	\$ 60,150	-
Shared IT Services	9,150	9,150	-
Fire Protection Services	116,728	104,071	12,657
Other Local Government Transfers	3,267	4,334	(1,067)
	<b>\$ 189,295</b>	<b>\$ 177,705</b>	<b>11,590</b>
	<b>\$ 1,015,543</b>	<b>\$ 928,671</b>	<b>86,872</b>

The majority of the government transfers for operations relate to the Local Government Fiscal Framework (LGFF) Operating grant, the Agricultural Service Board (ASB) grant, and the Canadian Community-Building Fund (CCBF) (previously referred to as the Federal Gas Tax Fund (FGTF) grant).

The LGFF Operating, ASB grant, and CCBF grant are based on funding allocations, which cover the eligible operating costs. These operating grants are budgeted to be fully used in year. Other Provincial Grants are typically based on specific eligible projects on these approved grants.

Transfers from Local Government include the Doctor Retention Program, the Shared IT Services , and the Fire Protection Services are based on funding agreements with the urban municipalities within the County. [As part of the 2024 priorities, Administration is reviewing the development of an Intermunicipal Funding Policy; whereas, this also would support the Strategic Goal of “Continued Collaboration with Regional Partners” by developing and establishing effective cost sharing formulas for funding that are equitable to all parties \(likely applicable to the funding to/from the Fire Protection Services and Emergency Management\).](#)

The projections for 2025-2027 are based on a conservative basis; whereas, most of the projections are set at the same funding levels as in the 2024 budget as many of these are based on funding agreements and allocations. Budget 2024 had a couple smaller one-time grants that are not projected into the future such as the additional grants for Search & Rescue and Medical First Responder programs.





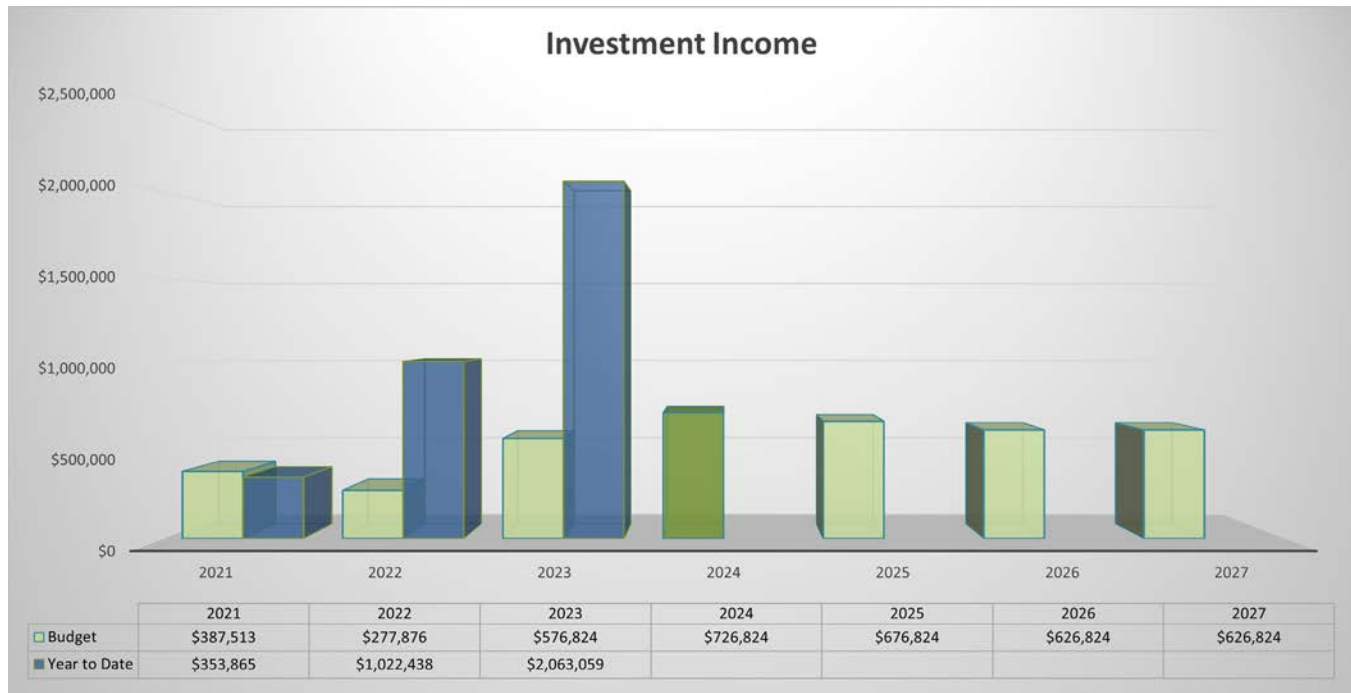
## Investment Income



Investment Income is also included in the other sources of income. These revenues are based on the investments that the County holds (i.e. investments held to fund reserves).

The following was the resulting investment income (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Return on investments	\$ 576,824	\$ 2,063,059	\$ 726,824	\$ 676,824	\$ 626,824	\$ 626,824



The investment income is typically budgeted based on prior interest and dividends received on the County's investments. For operating cash flows during the year, the County invests the funds received on taxation to fund the upcoming operating period in term deposits. Projected cash flow requirements are carefully reviewed in order to time the maturity dates of these deposits. These investment strategies have been utilized to maximize the return on investment income and have been proven to increase investment income compared to prior investment strategies.

The budgeted investment income was slightly decreased in 2020-2022 to reflect the reduced interest rates with the reductions in the prime rate available at this time; however, during 2022 the County realized significant increases in investment revenues with the significant increases in the Bank's Prime Rate. Budget 2024 and projections for 2025-2027 had projected increases in the budgeted revenues with increases in the bank's Prime Rates and with the locked in investment rates that the County was able to receive (such as with multi-year GICs and other long-term investments). These budgets are still done on a very conservative basis (as many are still tied to Prime Rates).

*The Municipal Government Act (MGA), Section 250, also dictates the types of investments that a municipality is able to invest. Generally, only low-risk investments are permitted to protect municipal funds. The County has also adopted an Investment Policy (12-2204) to provide guidance on its investments to ensure the County tries to obtain the highest rate of return while also safeguarding the public funds held by the County.*

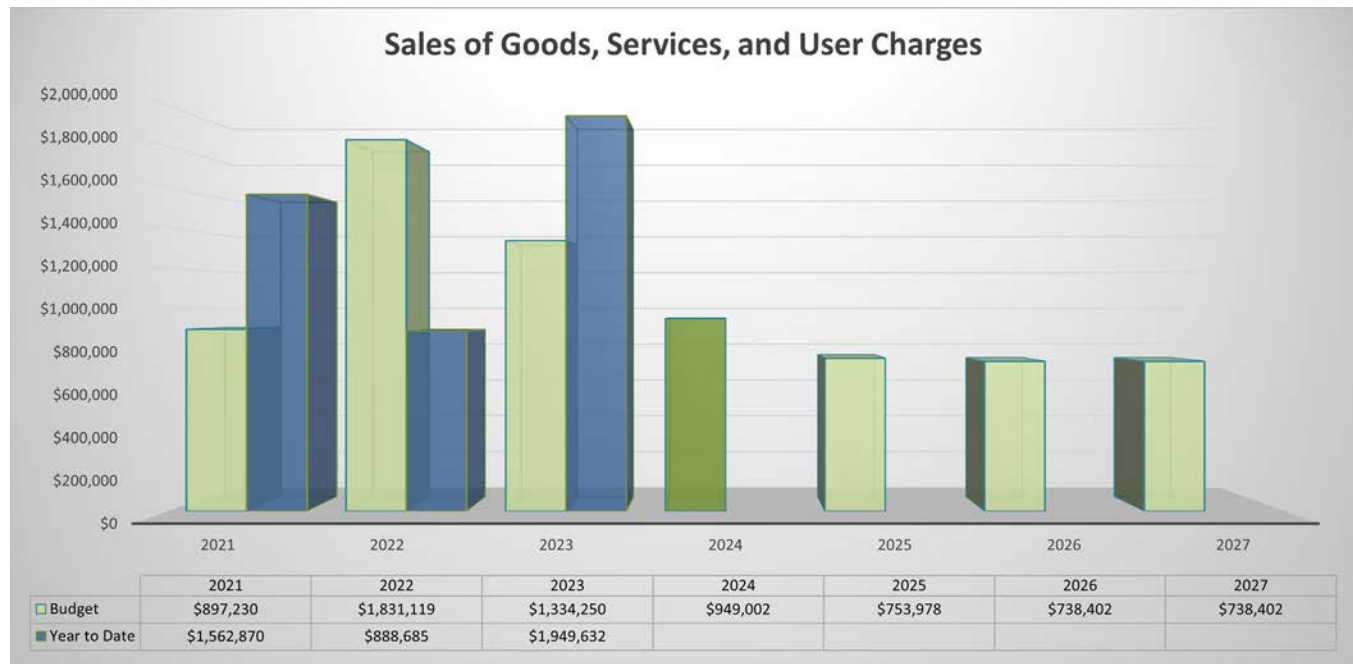


## Sale of Goods, Services & User Charges



The sale of goods, services, and user charges are also included in other sources of income. These revenues are budgeted on a conservative basis and are only included in the budget if likely to be received. Some of the revenues included here can vary significantly from year-to-year. Therefore, these usually are included based on average or lower basis. Should the County receive more revenues than budgeted, the resulting surplus may be added to reserves and potentially applied in future budget years. The following is the resulting budget for the sale of goods, services, and user charges (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Sale of goods, services, and user charges	\$ 1,334,250	\$ 1,949,632	\$ 949,002	\$ 753,978	\$ 738,402	\$ 738,402



The sale of goods, services, and user charges include the sale of materials and supplies (i.e. gravel sales), surface rights, fees charged for services (i.e. permits, tax certificates, safety codes), and cost recoveries (i.e. dust abatement). Typically, historical results are used to project these on-going revenue sources while remaining conservative in the budgeting.

The 2021 fiscal year included additional sale revenues from larger amount of gravel sales (significantly above budget). Budget 2022 included a large sale of lands totalling \$1.05 million; in which, the actuals were much lower than projected as these sales related to lands held in Tangible Capital Assets (TCA) therefore the revenues were reclassified as a Gains on Disposal of TCA rather than a sale of goods. Budget 2023 was decreased as the prior year as land sales were reduced to \$352,000 (substantially less than prior year of \$1.05 million). The actual revenues for 2023 were increased from budget with the road use agreement for the Buffalo Hills Wind project (which funds the additional services on the road such as a temporary grader driver). Budget 2024 did not have any projected land sales; however, still included some additional revenues for the road use agreement for the Buffalo Hills Wind project as the construction phase is projected to be completed in late 2024. Projections for 2025-2027 are also done on a conservative approach, including the removal of land sales and other one-time revenues (such as the road-use agreement).





## Rental Income

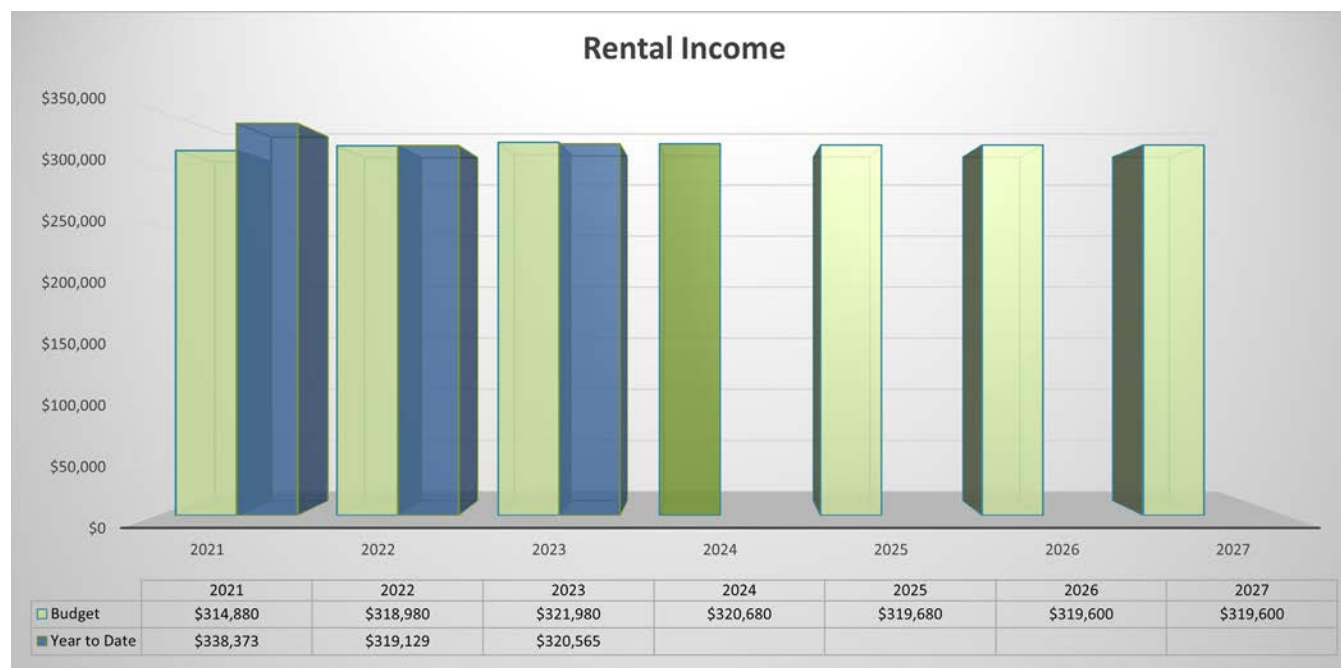
Rental Income is also included in other sources of income. These revenues are mostly based on the terms held within the rental agreements for County buildings. There is also a portion that relates to equipment rentals.



The following was the resulting rental income (with projections for the following three years):

Vulcan County  
Budget Comparison and Projections

	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Rental Income	\$ 321,980	\$ 320,565	\$ 320,680	\$ 319,680	\$ 319,600	\$ 319,600



The majority of rental income is based on rental agreements that the County has with the Royal Canadian Mounted Police (RCMP) and Alberta Health Services (AHS). Rental income is projected to remain consistent for the next few years (including the projections for 2025-2027) as most of the agreements still have a few years remaining (and are projected to be renewed at same or similar rates).

There are also other rental agreements for buildings (i.e. Adult Learning building) and equipment rentals, including agricultural equipment.





## Community Aggregate Levy



The community aggregate levies are also included in other sources of income. The community aggregate levy is the levy for transporting materials such as gravel and sand, where the rate of \$0.25/tonne is set by Bylaw 2017-027. As the actual amount transported can fluctuate significantly from year-to-year, and is outside of the County's control, the budget uses a somewhat conservative figure taking into account actual results from prior years.

The following was the resulting community aggregate levy (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Community aggregate levy	\$ 140,110	\$ 193,171	\$ 142,912	\$ 142,912	\$ 142,912	\$ 142,912



As shown above, the County historically maintained a conservative budget based on historical lows in community aggregate levies. In 2021, there was an additional review based on the reduction in 2020 as an impact from the COVID-19 pandemic whereas, there was a reduction in the transportation of materials; therefore, the budget was reduced to the historical conservative budget of approximately \$120,000 and slight increases over the past couple years. The actual results in 2021-2023 had a significant increase again in community aggregate levies as there were increases again to the transportation of materials within the County. The budget has been maintained at conservative figures until there is additional stability in these operations, including the projections for 2025-2027.

These revenues are applied against the road maintenance expenditures as the transportation of heavier goods such as aggregates (gravel, sand, etc.) cause more wear and tear on road infrastructure.





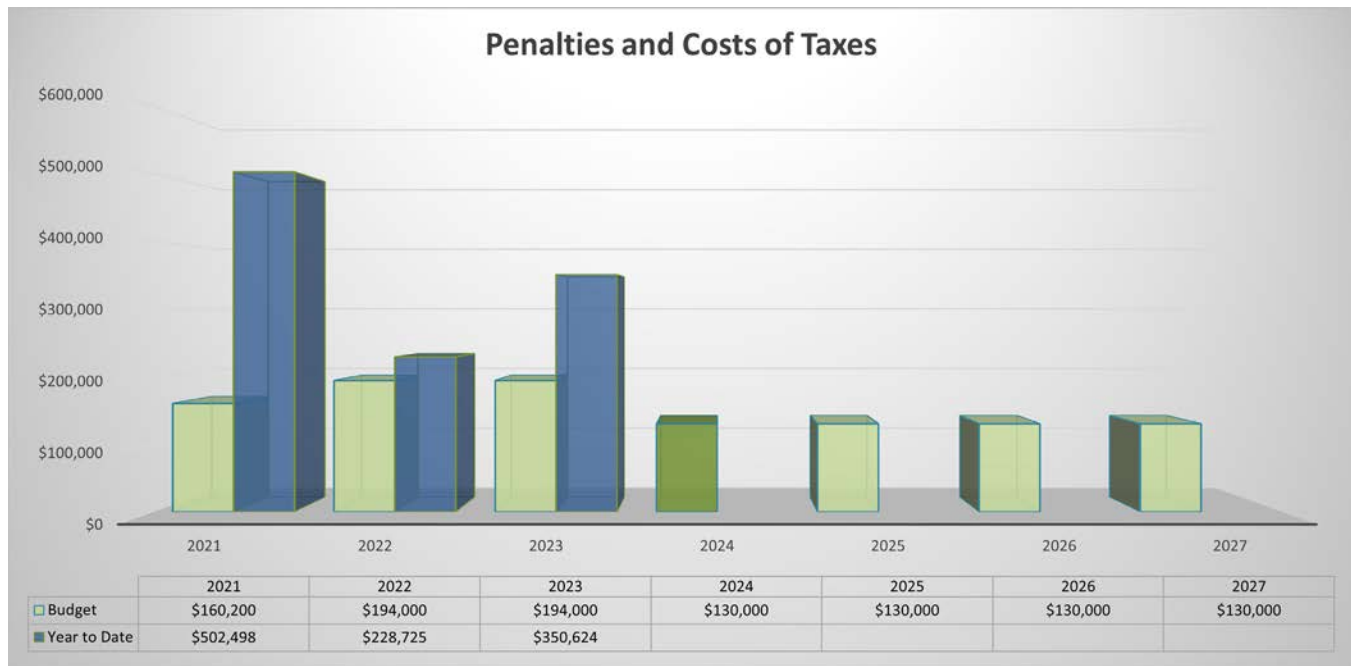
## Penalties and Cost if Taxes



Penalties and costs of taxes are also included in other sources of income. The penalties and costs of taxes are the penalties charged on unpaid taxes and are added to the tax roll. The application of penalties is to provide the County's ratepayers an incentive to pay on time since County operations depend upon prompt payment of property tax. The following was the resulting penalties and costs of taxes (with projections for the following three years):

Vulcan County  
Budget Comparison and Projections

	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Penalties and costs of taxes	\$ 194,000	\$ 350,624	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000



During 2019-2021, there was significantly higher revenue than budget due to a couple of larger accounts going into tax arrears. As the majority of these penalty revenues relate to oil & gas properties, the budget has been kept low in an attempt to normalize expectations in light of the current state of that sector of the economy. The 2022 actual revenues were more in-line with the projected budget; whereas, in 2023 there was a large tax account that missed the August 1st deadline and had a significant penalty (likely a one-time event). There was a projected reduction in 2024 as County has had a higher rate of collection of tax balances in the last couple years; therefore, less penalties if the tax balances are being paid. These projections are expected to continue for the 2025-2027 projections.

The following is the penalty structure in accordance with Bylaw 2022-008 (Payment Due Date & Penalties Bylaw):



### Penalties on Current Year taxes (due July 31st):

- August 1st - Six percent (6%) penalty on current tax levies outstanding
- October 1st - Three percent (3%) penalty on current tax levies outstanding
- December 1st - Three percent (3%) penalty on current tax levies outstanding

### Penalties on Tax Arrears :

- January 1st - Twelve percent (12%) penalty on all tax arrears outstanding (all tax balances outstanding after December 31st)



## Other Revenues



Other revenues include fines, donations, recovery of accounts receivable, and other miscellaneous revenues. Most of these are not able to be projected; therefore, the budget currently only consists of the fines and any other known revenues. Fine revenues are projected forward based on the prior year but have fluctuated in the past.

The following was the resulting other revenues (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Other revenue						
Fines	\$ 20,500	\$ 6,199	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
Other	7,500	24,319	-	-	-	-
	<b>28,000</b>	<b>30,518</b>	<b>11,500</b>	<b>11,500</b>	<b>11,500</b>	<b>11,500</b>



The Other Revenues budgeted mostly consist of fines from year-to-year. In 2022, there was an additional “other revenue” recognized as Gravel Reclamation Liability was reduced in 2022 (which creates an operating revenue instead of a negative expense) as the Gravel Reclamation Liability is estimated using a net present value (NPV) method and was impacted by the rates for borrowing which increased in 2022. This recognition of the change in the Gravel Reclamation Liability is likely a one-time revenue recognition and is not projected in the upcoming years (was an operating expense in 2023 and projected for future years as rates are not projected to increase significantly as they did in 2022 fiscal year).

Budget 2023 included a one-time donation of \$7,500 for a specific project; whereas, the actual revenues also included a one-time revenue relating to a remeasurement of the Asset Retirement Obligation (ARO) of approximately \$16,800 (from changes in rates and estimates used in the ARO liability calculations). Budget 2024 and the projections for 2025-2027 are effectively based on the budgeted/projected fine revenues.







## Operating Expenses - Overview



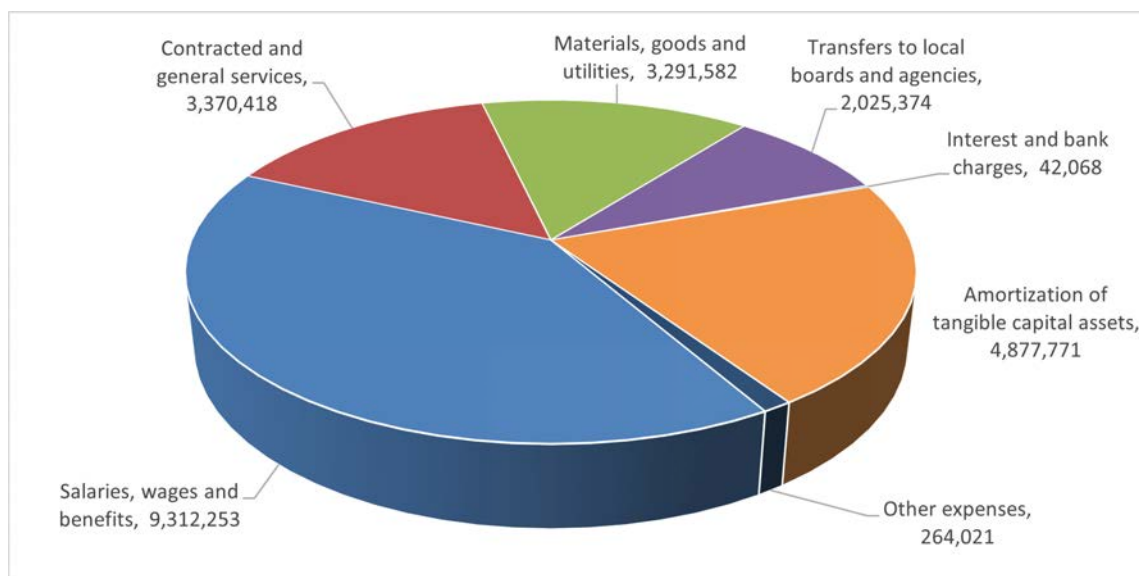
The majority of the County's operating expenditures are typically budgeted on a conservative basis to ensure that the budget is sufficient to cover the costs, including potential unexpected increases due to the nature of variable costs.

The following are the 2024 budgeted operating expenses:

Salaries, wages and benefits	9,312,253	40.2%
Contracted and general services	3,370,418	14.5%
Materials, goods and utilities	3,291,582	14.2%
Transfers to local boards and agencies	2,025,374	8.7%
Interest and bank charges	42,068	0.2%
Amortization of tangible capital assets	4,877,771	21.0%
Other expenses	264,021	1.1%
	<u>23,183,487</u>	
Machine expenses capitalized for construction	<u>(2,134,920)</u>	
	<b>21,048,567</b>	



The machine expenses capitalized for construction are a combination of expenses such as salaries/wages, contracted services, and materials/goods that are part of the County's internally constructed assets. These assets mainly include roads and bridges. These costs are capitalized as part of the year end Capital Transfers.



These operating expenses will be shown in detail in the following sections.



The Operating Budget reports expenses by both by type and by the segment/department. See the following section for the details within the Segment Reporting.



## Operating Expenses - Details



### Salaries, Wages & Benefits

Salary, wages, and benefits includes all of the staff wages/benefits as well as Council per diems. All of the wages/benefits have the updates from the 2024 approved salary grids, staff grid movements, and some market adjustments in the staff wages. The County does not operate in a union environment.

The following was the resulting salary, wages & benefits (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Salaries, wages and benefits	\$ 8,226,494	\$ 7,798,714	\$ 9,312,253	\$ 9,492,608	\$ 9,524,984	\$ 9,609,619



The County utilizes a 7 step salary/wage grid for each of the County staff. Each staff member is placed in a spot on the grid, and can move up annually if they receive a favorable performance review. The 2024 salary/wage grids were approved by Council on December 6th, 2023.

These salary/wage grids are developed in accordance with the Compensation Policy (12-3131); including a review of consumer price indexes (CPI) to assist in determining the Cost of Living Adjustments (COLA) for staff wages. The Alberta CPI (per Stats Canada) is reviewed from October to September of the prior year and an average is calculated to determine the COLA. For 2024, the COLA was determined to be 4.283% based on the average changes in the Alberta CPI.

In 2023, the County had an external consulting company preform a comprehensive staffing compensation review; which reviewed each of the positions/responsibilities and compared to the applicable market comparisons in similar municipalities, as a result there were certain positions that had market adjustments to their applicable 2024 wage grids to ensure the compensation is competitive within the market. Market Adjustments to applicable staff grids of \$131,100 total estimated costs for wages and benefit costs.

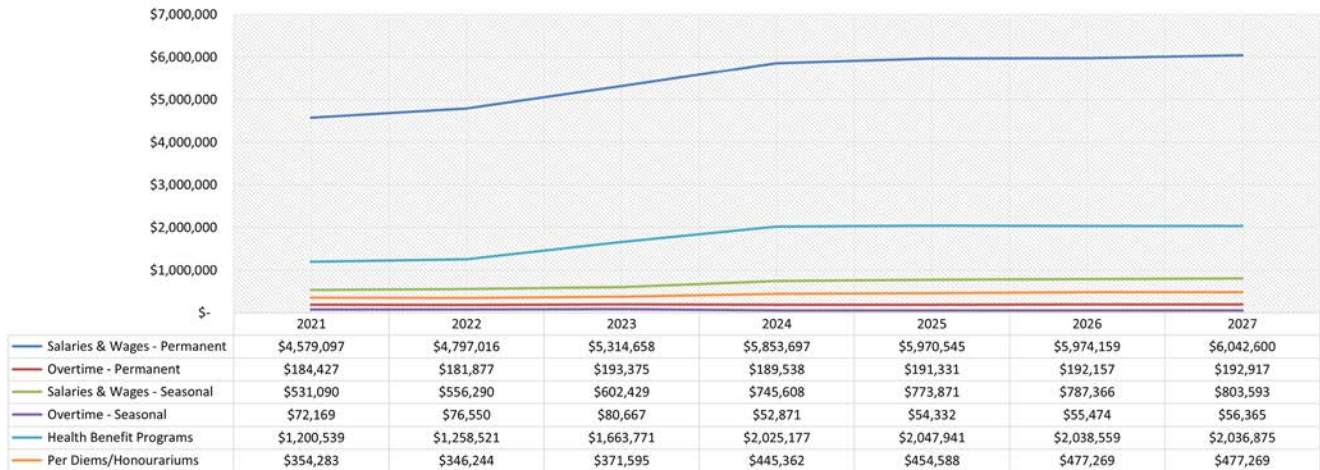


## Salaries, Wages & Benefits - Continued

The following are the budgeted details of salary, wages & benefits:



Salaries, Wages & Benefits - Budget Details



Salaries, wages, and benefits are projected using the County's budgeting software; whereas, each staff/position is allocated their related salary/wage grid and what the current effective wage grid, hours worked and related anniversary date. Cost of Living Adjustment (COLA) and other market adjustments are applied (if applicable). The budgeting software projects the annual budgeted costs for the current and upcoming budget years with the assumption that the staff are eligible to receive their grid movement each year on their anniversary date (including projections for 2025-2027).

During the 2024 budget process, wage costs increased for a few different reasons:

- There were increased for the anticipated grid movement of existing County staff.
- There was the COLA adjustment of 4.283% and the applicable market adjustments on the related salary/wage grids for 2024.
- Added staffing positions for an additional 4.04 Full-Time Equivalent (FTE) from the prior year.
- Increases to benefit costs as County with benefit rate updates, including the new level within the federal Canadian Pension Plan (CPP2) contributions and the increase to the Wellness / Health Spending Account allocations.

The County budgets the staffing benefits to be based on the actual calculations and benefit rates for each type of benefit, while still remaining somewhat conservative in the application of the benefits (i.e. assuming all staff are on a family plan and that each staff fully utilize their wellness accounts). This will allow the County to have more accurate budgeting for staff benefits. The health/dental benefits to the volunteer firefighters is budgeted based on providing coverage for total capacity at each fire hall.

As noted above, there was a 4.04 FTE increase in staffing positions including:

- Addition of a 2nd Community Peace Officer (CPO) to increase capacity and coverage. This was part of the Strategic Priority of "Safe Communities".
- Addition of an Automotive Mechanic and an apprentice heavy duty mechanic position (partial FTE) to support with capacity constraints and to support some leaves and staff turnover.
- Addition of a temporary development officer position to support with the Strategic Priorities and goals within the planning and development department.
- Carry-forward FTE increases for IT department (0.33FTE) as the Senior IT Technician position was added mid-year in Budget 2023 (full year in 2024) and other minor staffing updates.



## FTE STAFFING



The following is a summary of the changes in the projected staffing full-time equivalents (FTE):

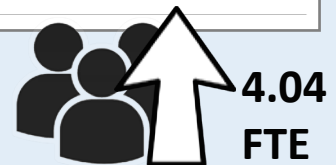
### Budget 2024

#### Full-Time Equivalents (FTE)

	2024 Budget	2023 Budget	2023 Actual	Change in Budget	2022 Budget	2022 Actual	2021 Budget	2021 Actual
Management	5.00	5.00	5.33	0.00	5.00	4.92	5.52	4.27
Operations (Public Works)	41.93	40.22	37.70	1.71	38.89	36.45	39.24	36.78
Corporate Services	8.00	7.67	7.00	0.33	7.00	6.83	7.00	7.00
Protective Services	5.05	4.05	4.05	1.00	3.07	2.49	2.58	2.58
Agricultural Services	2.50	2.50	2.18	0.00	2.18	2.18	2.14	2.14
Development Services	4.00	3.00	3.21	1.00	3.00	3.00	2.55	2.55
Legislative Services	2.00	2.00	2.00	0.00	2.00	1.42	1.50	1.50
	68.48	64.44	61.47	4.04	61.14	57.29	60.53	56.82

\* FTE is based on full-time annual positions (i.e., Seasonal staff are a partial FTE). Overtime hours are in excess of regular FTE (i.e., full-time staff with OT can create greater than 1 FTE).

The 2023 actual FTE was slightly less than the budget as there were some staff on leaves that started mid-year (position remained vacant during leave) or the County was not able to specifically fill the position. Some of the vacancies required contracted services as support in the operations of the County.



In the Strategic Plan, the County has a strategic priority to “Attract, Engage, and Retain New & Existing Employees”. This includes many strategies/goals, including the following:

- Continual review of salaries and benefits, including comparing wages to other similar sized municipalities to ensure wages are competitive and ensure adequate staffing levels.
- The County currently has overtime agreements with the staff of the County; allowing the staff the option to bank and use their overtime. Many of the staff utilize this option to bank their overtime to allow them to have the paid time off at a later date.
- Money is set aside in the budget to allow for various training opportunities for staff in order to ensure they grow as professionals while providing better services to County ratepayers.
- County Council has established many policies allowing a better work/life balance, including:
  - > Flex Time Policy (12-3137) - allowing staff to adjust their work hours throughout the day, providing it still provides appropriate availability of the staff member.
  - > Earned Day Off Policy (12-3138) - allowing staff to bank non-overtime hours that are above their regular work day and to have a scheduled day off every couple of weeks (i.e. bank time to have every third Friday off).
  - > Health & Wellness Policy (12-3135) - benefit providing up to \$600/year (was \$300/year) on activities relating to health and/or wellness/fitness (i.e. gym memberships, fitness equipment).
- There is a Vulcan County Social Club that is set up by the staff at the County. Council provides some matching funding, through the budget, to assist in funding some of the staff functions (i.e. BBQs, golf tournament, etc.).



Introductory



Operating Budget



Capital & Reserves



Appendix & Glossary



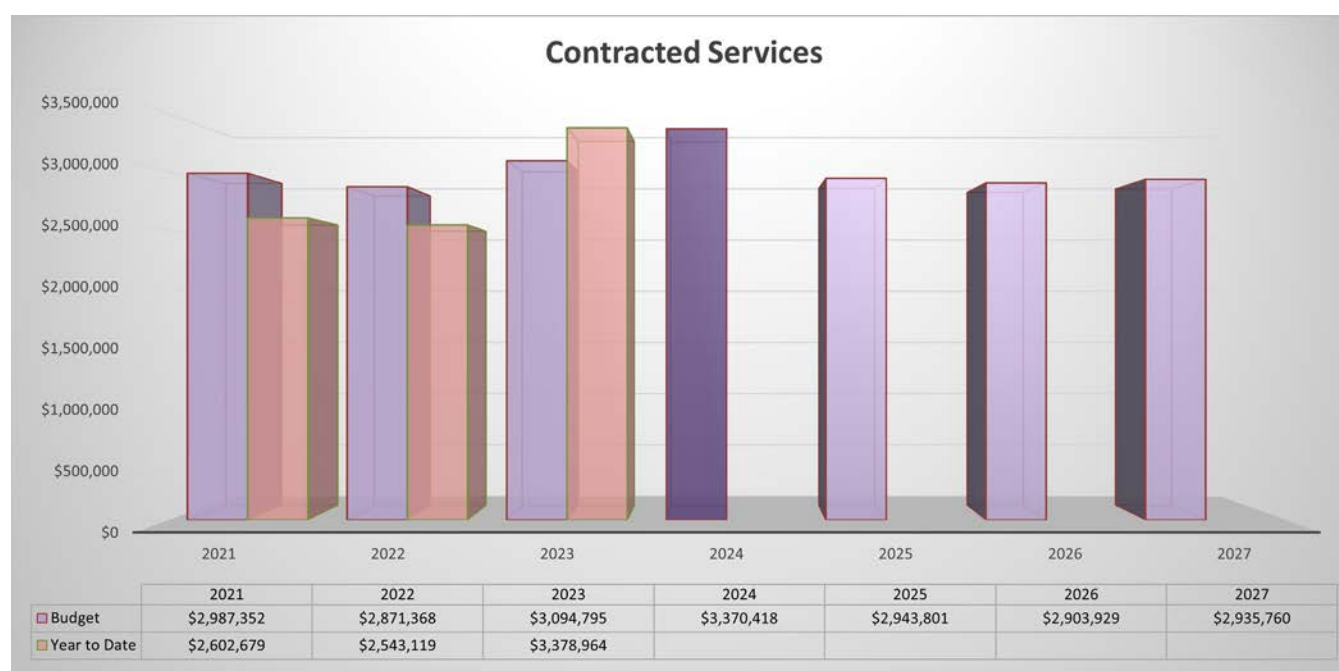
## Contracted and General Services



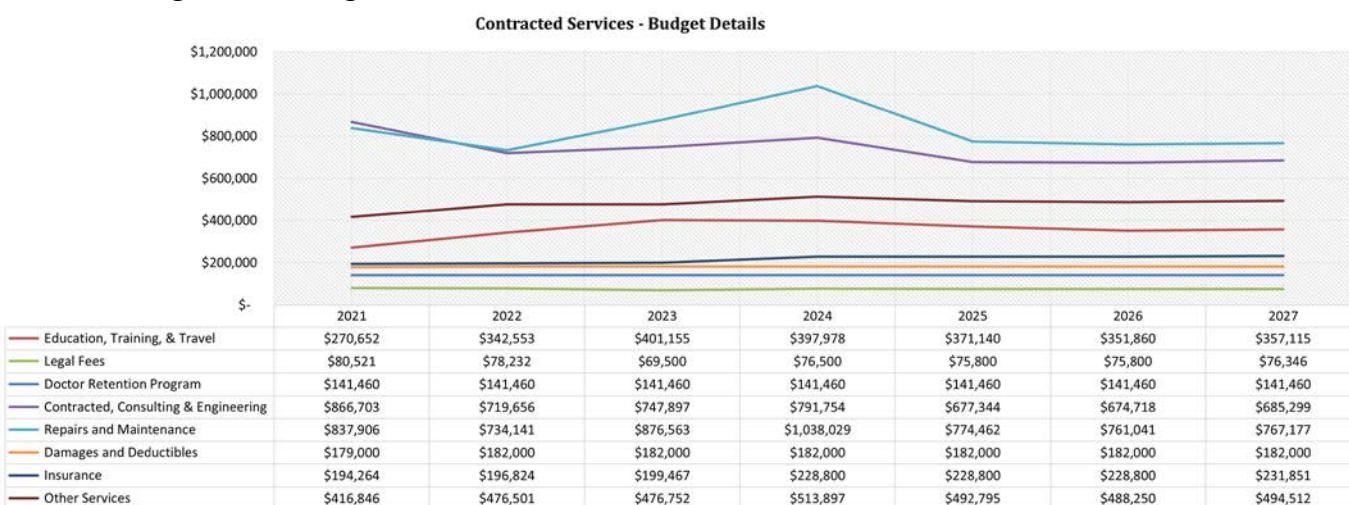
Contracted services include the costs of repairs and maintenance, consulting services, audit and legal fees, leases, telecommunications, insurance, education/training, and other services. These expenses are typically budgeted on a conservative basis to ensure that the budget is sufficient to cover the costs, including potential unexpected increases due to variable costs. Some of these costs are based on agreements; for those costs, the amount budgeted agrees to the terms in the agreement.

The following is the budgeted contracted services costs (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Contracted and general services	\$ 3,094,795	\$ 3,378,964	\$ 3,370,418	\$ 2,943,801	\$ 2,903,929	\$ 2,935,760



The following are the budgeted details of contracted services:







### **Education, Training, and Travel:**

Education, training and travel costs are expecting a slight decrease from the prior year budget of \$401,155 to \$397,155 in the current budget. Some of the decrease related to reductions in boot/clothing allowances and other training for firefighters to catch-up on certain training activities done in the prior year. This decrease was partially offset by increases in training and travel costs for Council and applicable staffing. These costs are expected to level out and start reducing in subsequent years now than much of the catch-up training has been completed.

### **Legal Fees:**

Legal fees are expected to increase from \$69,500 to \$76,500, and then remain relatively consistent over the following projected years. This increase relates to additional legal costs allocated towards fire protection and regulatory services (based on historical actuals). Typically this is budgeted conservatively as it is not always known if the County will require additional legal support.

### **Doctor Retention Program:**

The Doctor Retention Program costs are based on the respective agreements with the local clinics/hospitals and are projected to remain constant for the next couple years. The actual costs have been very comparable to the prior budgets (minimal variances in the locum costs).

### **Contracted, Consulting & Engineering:**

The contracted, consulting and engineering costs are expecting an overall increase from the prior year budget of \$747,897 to \$791,754 in the current budget. There was a projected increase in consulting costs in planning and development includes the 2024 ORTHO mapping project (reserve funded) in combination with multiple other municipalities. These increases were partially offset by reductions as the prior year included some additional contracted services for continuing the comprehensive facility environmental assessment (in preparation PSAS 3280 for Asset Retirement Obligations) and a staff compensation review done during 2023. There is a decrease in these projected costs in 2025-2027 as the one-time ORTHO mapping project will be completed in 2024.

### **Repairs and Maintenance:**

The repairs and maintenance costs are expecting an overall increase from the prior year budget of \$876,563 to \$1,038,029 in the current budget. The increase mostly relates to the building maintenance costs for the Tri-Services building (reserve funded) and vehicle/equipment repairs in the Transportation Department. The increased dust abatement costs related to the road maintenance for the windmill construction project (funded by the road maintenance agreement revenues) remained in Budget 2024. These costs will return back to normal levels in 2025-2027 once the project is completed. The County continually monitors its infrastructure and will add maintenance projects if deemed necessary.

### **Damages and Deductibles:**

The damages and deductibles costs are expecting to stay relatively consistent with the prior year budget and remains flat in projected years. These costs represent reimbursements to landowners for damages done to their crops during construction.

### **Insurance:**

The insurance costs typically relatively consistent from year-to-year with small adjustments based on historical increases in premium costs, and reductions due to removal of insurance on disposed or obsolete equipment; however, there was an increase in the actual costs of insurance in the last couple years throughout; whereas, Budget 2024 was updated to include some of these cost increases.

### **Other Services:**

The other contracted and general services remains relatively consistent from year-to-year. These include smaller valued services such as subscriptions, advertising, etc.



## Materials, Goods & Supplies

Materials, goods, and supplies includes the costs of supplies, utilities, information technology, diesel/fuel, gravel, herbicides, culverts, blades, tools, and other materials.

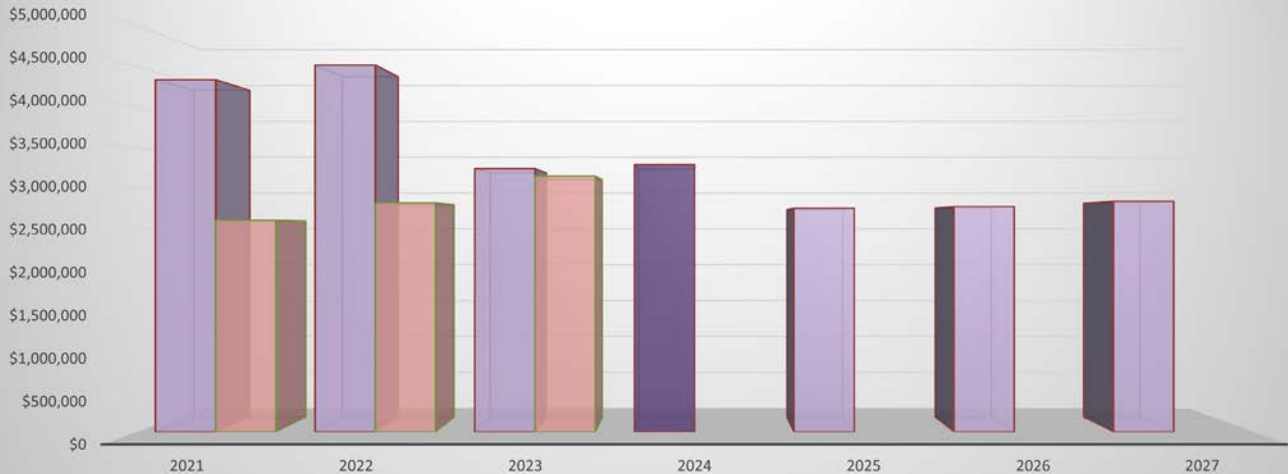


The following was the resulting materials, goods, and supplies (with projections for the following three years):

### Vulcan County Budget Comparison and Projections

	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Materials, goods and utilities	\$ 3,240,880	\$ 3,149,977	\$ 3,291,582	\$ 2,753,603	\$ 2,775,635	\$ 2,839,332

### Materials, Goods, & Supplies



	2021	2022	2023	2024	2025	2026	2027
Budget	\$4,335,374	\$4,517,365	\$3,240,880	\$3,291,582	\$2,753,603	\$2,775,635	\$2,839,332
Year to Date	\$2,606,600	\$2,820,479	\$3,149,977				

The following are the budgeted details of material, goods & supplies:

### Materials, Goods, & Supplies - Budget Details







### **Parts and Supplies:**

The parts and supplies costs are expected to remain relatively consistent from the prior year budget of \$167,602 to \$166,207 in the current budget. Generally, parts and supplies expenses move according to whether or not the County has a change to service levels and/or the operational requirements for the County. Budget 2023 and 2024 has some one-time purchases of supplies/materials for the fire departments, emergency management, and other departments; whereas, the projections for 2025-2027 are reduced as these one-time purchases are received.

### **IT Hardware and Software:**

The IT hardware and software costs are expected to remain relatively consistent from the prior year budget of \$349,273 to \$350,137 in the current budget. There were some one-time IT projects to be completed in the prior year; whereas, there are some additional one-time projects in Budget 2024 and there was also a carry-forward project for replacement of the server room uninterrupted power systems (UPS) and transformers (carried forward from 2023 into 2024 as it was not able to be completed). The projections for 2025-2027 are reduced as these one-time projects/purchases should be done in current budget year.

### **Diesel, Fuel, and Propane:**

The diesel, fuel, and propane costs are expected to remain relatively consistent from the prior year budget of \$1,327,515 to \$1,304,411 in the current budget with fluctuations and increases in subsequent years. The majority of this increase is due to a couple of main factors. First, historical fuel expenditures were carefully reviewed by Administration. Second, estimates were made about the level of fuel consumption necessary to provide County services like road maintenance and bylaw enforcement. Third, market price projections were used that resulted in a revised estimate of per litre costs, including the costs of projected carbon taxes being added to fuel/diesel costs.

### **Tires:**

The tire costs are expecting an overall decrease from the prior year budget of \$196,067 to \$161,298 in the current budget and will be reduced significantly in 2025-2027 projected years (based on projected replacement cycles). The prior year includes the replacement for scraper tires, which is based on the timing of replacement of tires for specific equipment. Tires for certain vehicles are much more expensive than others but are bought less often.

### **Gravel, Pit-run, and Rip-rap:**

The gravel, pit-run, and rip-rap costs are expecting to increased from the prior year budget of \$39,201 to \$108,759 in the current budget and will remain consistent for 2025-2027 projections. The County recently updated an agreement for gravel crushing; whereas, the County is now paying the estimated pit fee royalty on an annual basis (compared to at the time of gravel crushing). *There has recently been a change in the budgeting methodology for the gravel crushing program (after the 2021/2022 program) as this has been changed to a "transfer to inventory" instead of a budgeted expense as this actually results in an increase in inventory for future use (stock piles). This updated methodology should more accurately align with the actual accounting treatment of the program.*

### **Herbicides:**

The herbicide costs remain relatively consistent from year-to-year; whereas, the County is expecting herbicide costs to remain relatively consistent for 2024 and the projections for 2025-2027.

### **Utilities:**

The utilities costs remain relatively consistent from year-to-year with small changes based largely on expected inflation. These are carefully reviewed annually. Budget 2024 included some of the increases in utility costs and projected effects with the costs of projected carbon taxes being added.

### **Other Goods and Materials:**

Other contracted and general services typically remains relatively consistent from year-to-year. These costs include goods/services such as grader blades, culverts, signage, lumber, small tools, and other miscellaneous goods/materials. There is an expected increase in 2024 including a significant increase to small tools/equipment for some one-time purchases (many of these purchases are reserve funded) and with cost updates and reviews throughout the operational budgets.

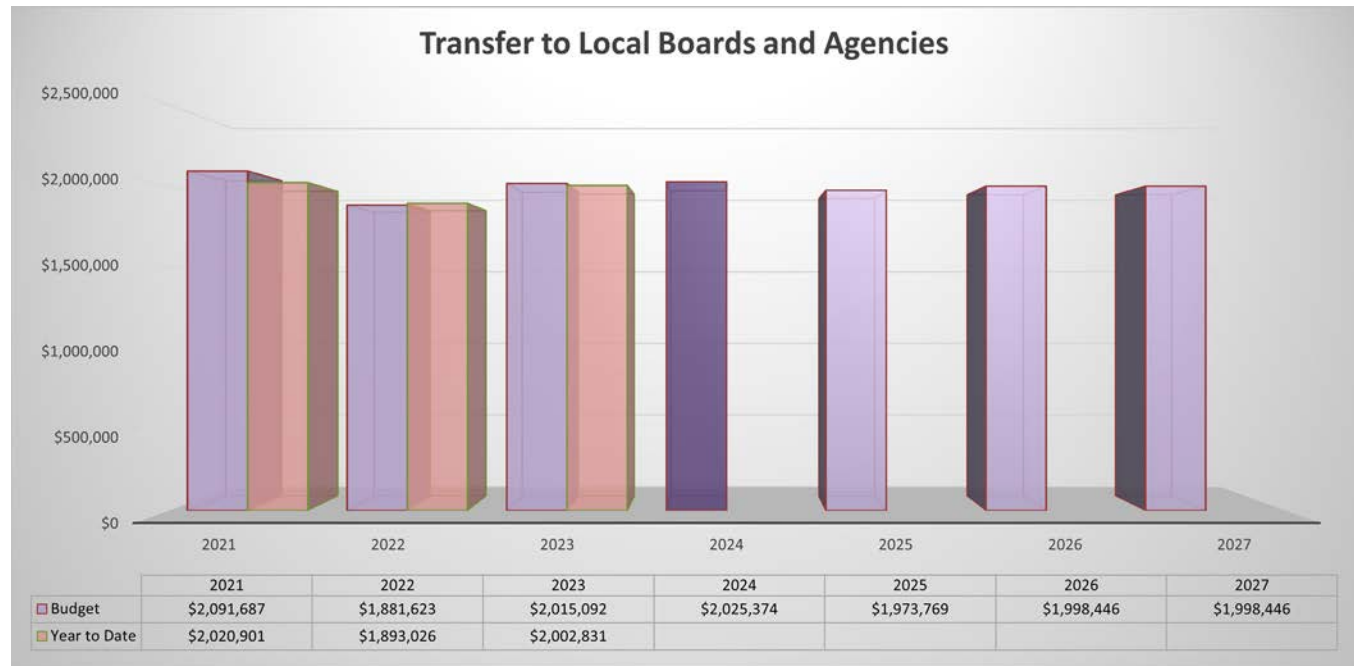


## Transfers to Local Boards and Agencies

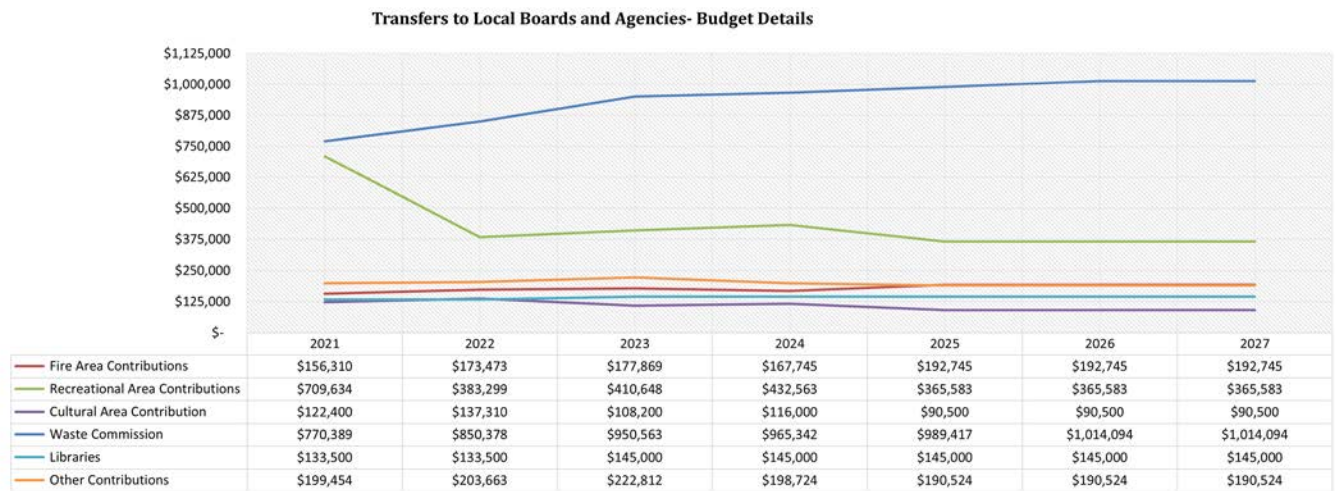
Transfers to local boards and agencies include contributions to fire associations, recreation boards, tourism, waste and water commissions, and other community groups. The budgets are typically based on approved requests by Council during the budget process.

The following are the resulting transfers to local boards and agencies (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Transfers to local boards and agencies	\$ 2,015,092	\$ 2,002,831	\$ 2,025,374	\$ 1,973,769	\$ 1,998,446	\$ 1,998,446



The following are the budgeted details of the transfers to local board and agencies:







The following are some of the recreation and cultural contributions that the County provides:

Carmangay and District Recreation Area	
Carmangay Curling Assoc. - Operating	\$10,000
<b>Total Recreational Funding</b>	<b>10,000</b>
Carmangay & District Historical Society	1,500
Carmangay Horticultural Society - trees	2,000
Carmangay Senior's Club	2,500
Carmangay Recreation - Hall Operations	10,000
Carmangay Recreation - Capital	2,000
<b>Total Cultural Funding</b>	<b>18,000</b>
Reserves - Carmangay Recreation	12,000
Reserves - Friends of Carmangay Library	10,000
<b>Total Recreational and Cultural Funding</b>	<b>\$50,000</b>

Champion and District Recreation Area	
Champion Pool - Operating	\$30,000
Champion School	2,380
Champion Skating Rink	5,000
<b>Total Recreational Funding</b>	<b>37,380</b>
Champion Community Hall - Operating	10,000
Champion Community Hall - Capital	20,000
Champion School - Band Program	1,000
Champion School - Art Program	1,000
Alston Hall	500
Champion Pioneers Club - Capital	6,500
<b>Total Cultural Funding</b>	<b>39,000</b>
<b>Total Recreation and Cultural Funding</b>	<b>\$76,380</b>

Vulcan and District Recreation Area	
Vulcan Arena - Operating	\$75,000
Vulcan Swimming - Operating	90,000
Recreation Committee - Operations	46,323
2024 Summer Games	8,200
<b>Total Recreational Funding</b>	<b>\$219,523</b>
Vulcan Regional Food Bank	2,000
<b>Total Cultural Funding</b>	<b>\$2,000</b>
Reserves - Vulcan Recreation - topup	31,079
<b>Total Recreation and Cultural Funding</b>	<b>\$252,602</b>

Milo and District Recreation Area	
Milo Recreation Committee - Operations	\$38,100
Milo & District Ag Society - Arena	5,000
Milo Community School	5,000
Milo Curling Club	5,000
<b>Total Recreational Funding</b>	<b>\$53,100</b>
Snake Valley Drop-in Center	5,000
Friends of Milo Municipal Library	2,800
Milo Hall - Operations	5,000
<b>Total Cultural Funding</b>	<b>\$12,800</b>
<b>Total Recreation and Cultural Funding</b>	<b>\$65,900</b>

Northwest Recreation Area	
Mossleigh Kids Ball Club	\$2,000
Arrowwood Lions	7,000
Arrowwood 4-H	500
Arrowwood ECS	3,100
Arrowwood Community Hall - Fitness	5,000
Recreation Board Costs	1,960
Northwest Recreation Association	10,000
<b>Total Recreational Funding</b>	<b>\$29,560</b>
Mossleigh Community Club	20,000
Arrowwood Comm. Rec. Association	15,000
Arrowwood Restoration Society	1,200
<b>Total Cultural Funding</b>	<b>\$36,200</b>
<b>Total Recreation and Cultural Funding</b>	<b>\$65,760</b>

Lomond and District Recreation Area	
Lomond Comm. Center Ag Society	\$41,500
Lomond Comm. Center Ag Society - Top up	\$41,500
<b>Total Recreational Funding</b>	<b>83,000</b>
Lomond 4-H Club	1,000
Lomond 4-H Club - Capital	5,000
Village of Lomond - Canada Fireworks	2,000
<b>Total Cultural Funding</b>	<b>8,000</b>
Reserves - Lomond Comm. Center Ag Society	25,000
<b>Total Recreation &amp; Culture</b>	<b>\$116,000</b>

### Total Recreation funding:

Contributions	\$432,563
Reserves	78,079
<b>Total</b>	<b>\$510,642</b>

### Total Cultural funding:

Contributions	\$116,000
Reserves	N/A
<b>Total</b>	<b>\$116,000</b>

Total budgeted funding for recreation and cultural activities is **\$626,642** - funded by special tax levies and general municipal tax revenues.

Vulcan County also funds other organizations throughout the County. The following are some of the other organizations that the County funds (other than recreation and culture):

Contributions to other organizations	
Rainbow Literacy Society	\$35,000
STARS Air Ambulance	16,948
HALO Air Ambulance	16,948
Vulcan Town Airport - Operating	8,675
Farming Smarter Sponsorship	3,000
Oldman Watershed Council	1,961
Foothills Forage and Grazing Association	5,000
Alberta Farm Animal Care	500

Vulcan and District Waste Commission	\$962,993
Twin Valley Regional Water Commission	40,467
Doctor Retention Program- County's share	81,310
Farm Safety Center	3,000
Alberta Invasive Plants Council	500
Vulcan County Salinity Project	10,000
FCSS - Operating	31,560
FCSS - Transportation Initiative	19,665
County of Vulcan Library Board	145,000
<b>Total</b>	<b>\$1,382,527</b>

The total contributions to the fire protection areas is budgeted at \$167,745; including \$85,350 to the Northwest Fire Association, and \$82,395 to the Milo Fire Association. These are funded by special tax levies, and are exclusive of the annual \$25,000 per district capital reserve allocation.



Introductory



Operating Budget



Capital & Reserves



Appendix & Glossary



## Interest & Bank Charges

The interest and bank charges include bank and credit card fees, and interest on debentures.

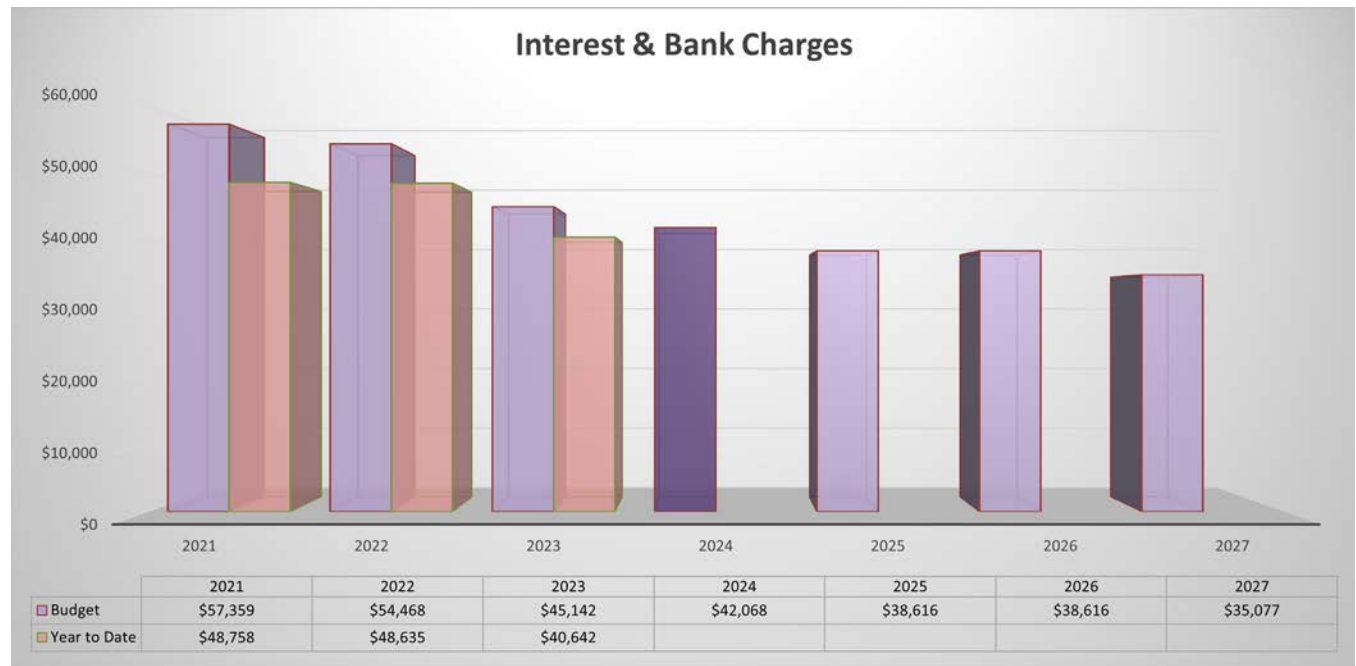
The following are the resulting interest and bank charges (with projections for the following three years):

### Vulcan County Budget Comparison and Projections

#### Interest and bank charges

Bank Charges and Short Term Interest  
Interest on Capital Long Term Debt

	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
				-	-	-
\$	14,697	\$ 11,178	\$ 14,990	\$ 14,990	\$ 14,990	\$ 14,990
	30,445	29,464	27,078	23,626	23,626	20,087
	<b>45,142</b>	<b>40,642</b>	<b>42,068</b>	<b>38,616</b>	<b>38,616</b>	<b>35,077</b>



Interest and bank charges mostly relates to the long-term debenture interest; in which, the interest rates are locked-in for the entire term; therefore, the budgeted debenture interest and projections for the upcoming years is tied directly the debenture's repayment schedule (which outlines the annual interest for each year for the entire term - including projections for 2025-2027).



Bank charges and projected based on historical trends. The bank and credit card fee rates were budgeted based on the prior years of actual expenses and the County has recently implemented a "convenience fee" to recover the credit card fees on taxes.

No change to our typical banking practices is expected, and lower interest is expected on the debenture as the principal is paid down.

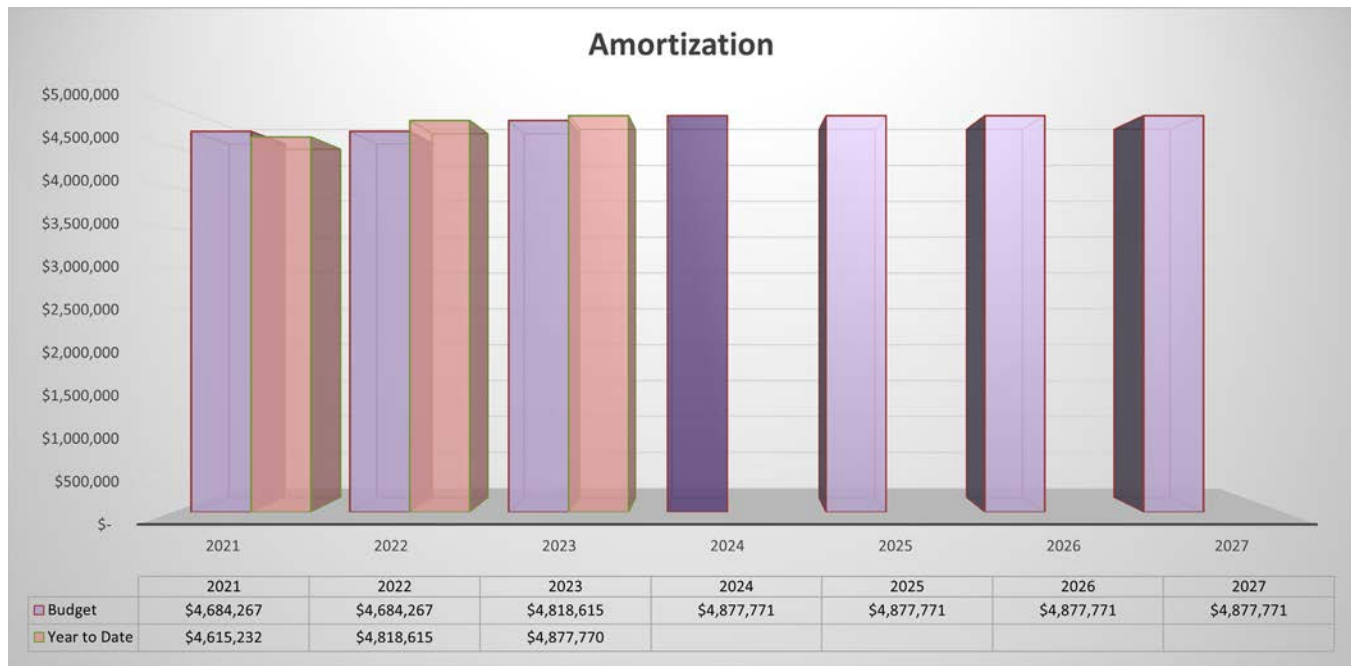


## Amortization



The amortization expenses are non-cash expenditures to reduce the net book value of the tangible capital assets (roads, buildings, equipment) over the course of their useful lives. The following was the resulting amortization (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Amortization of tangible capital assets	\$ 4,818,615	\$ 4,877,770	\$ 4,877,771	\$ 4,877,771	\$ 4,877,771	\$ 4,877,771



Amortization expenses are budgeted and projected based on the actual amortization that was recognized in the most recent financial statements (unless the change from the prior year is considered to be a trivial for making the change for the budget process). Budget 2024 was updated for the 2023 actuals, including the amortization on the capitalized Asset Retirement Obligation (ARO) costs within the Tangible Capital Assets. Currently, the County does not project annual changes in projected years as the actuals remain relatively consistent from year-to-year based on amortization policy being done on a straight-line basis. Amortization expense is also considered to be a “non-cash” expenses as the amortization expenses is effectively removed from the budget through the transfers in the Schedule of Accumulated Surplus (as these are transferred to the Equity in Tangible Capital Assets).

To recognize assets and to determine amortization, the County has adopted a Tangible Capital Assets Policy (12-2214) which provides guidance on the estimated useful lives of specific asset classes (based on the productive use of the asset). Amortization is recognized on a straight-line basis. This policy provides guidance to the County’s Administration to ensure that the amortization is recognized in a rational and systematic manner, and aids in the formulation of the 20-year Capital Plan. The following are the useful lives of the major asset classes:



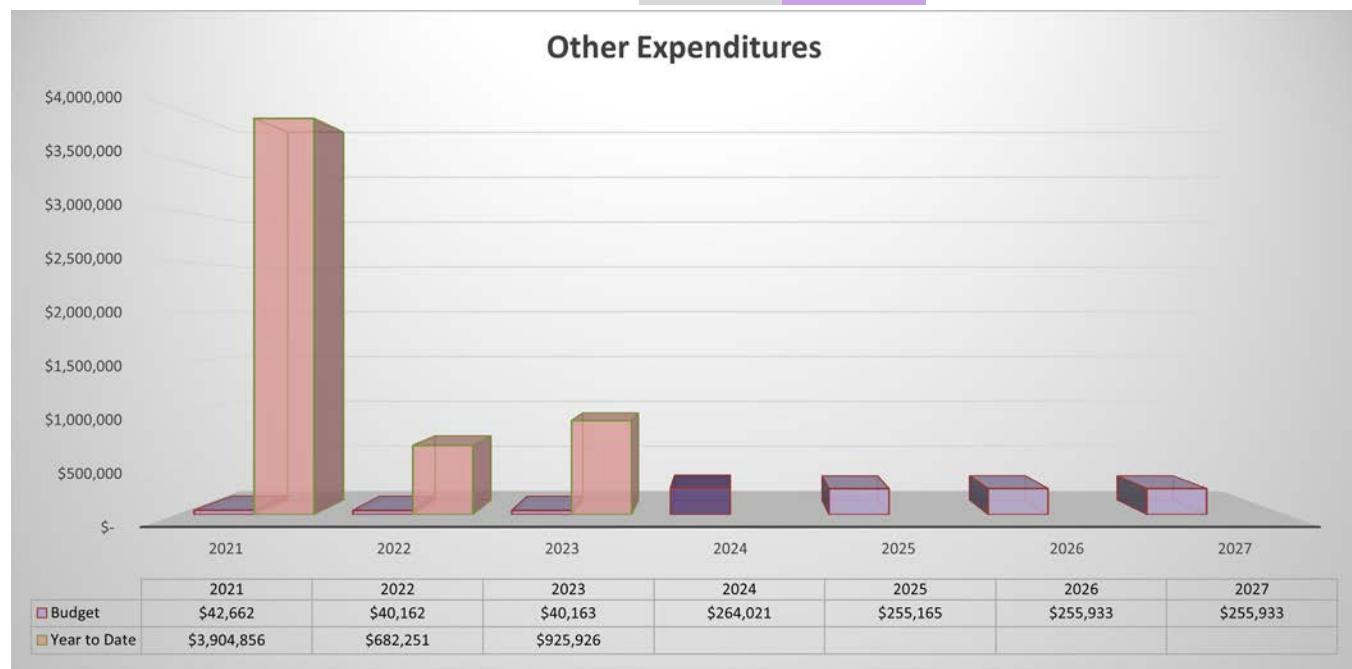
Land improvements	15 - 45
Buildings	25 - 50
Engineered structures	
Bridges	40 - 100
Communication towers	38
Roads	5 - 75
Machinery and equipment	2 - 25
Vehicles	6 - 10



## Other Expenditures

The other expenditures include contingency expenses, tax and receivable write-offs, contributions of interest to reserves, and other miscellaneous expenses. Most of these are not able to be projected; therefore, the budget currently mainly consists of the contingency and tax write-offs. The following was the resulting other expenditures (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>Other expenses</b>						
Contingency	\$ 20,000	\$ 229,264	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Tax Discounts & Write-offs	12,671	625,434	216,483	206,839	206,787	206,787
ARO Accretion	-	19,291	20,046	20,834	21,654	21,654
Other	7,492	51,936	7,492	7,492	7,492	7,492
	<b>40,163</b>	<b>925,926</b>	<b>264,021</b>	<b>255,165</b>	<b>255,933</b>	<b>255,933</b>



The large spike in expense in 2021 is due to the completion of bankruptcy proceedings with respect to a large oil & gas producer within the County. It became apparent that the County was not going to be able to collect on the substantial amount of taxes owing (including a large customer in 2021 that was previously in a multi-year tax repayment plan agreement; however, defaulted on the agreement during 2021), so the full balance was written off in order to apply for the Provincial Education Requisition Credit (PERC) from the Province. The expense in 2022 and 2023 include further write-offs on some of these same insolvent oil & gas companies for their 2022/2023 property tax levies (which had some residual taxable assessment into 2022/2023 fiscal year). Budget 2024 has increased budget for Tax Discounts & Write-offs with the residual taxable linear assessment (provided by the Provincial Assessor).

The other expenditures include contingency expenses, increases in the gravel reclamation liability, contributions of interest to reserves, Asset Retirement Obligation (ARO) accretion expenses (new starting in 2023 with the adoption of the new ARO accounting standard), and other miscellaneous expenses. Most of these are not able to be projected; therefore, the budget currently mainly consists of the contingency accounts. There is minimal changes in the 2025-2027 projections as these are already contingent in nature.

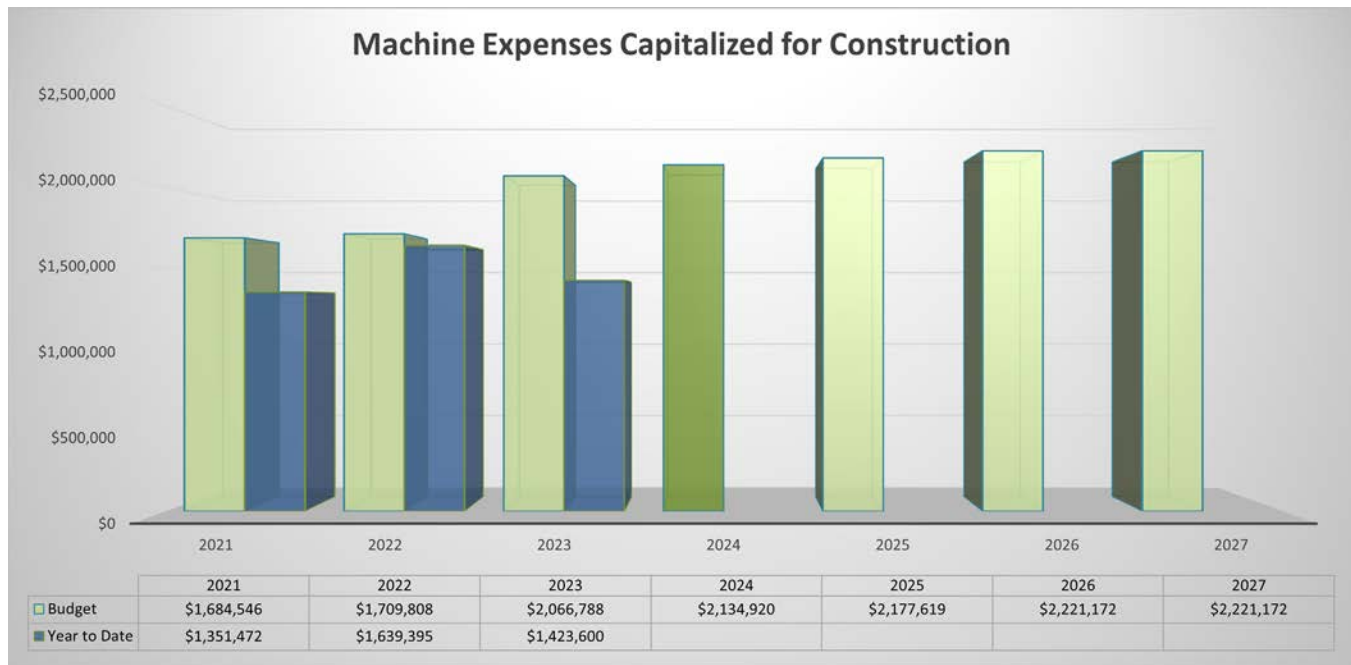


## Machine Expenses Capitalized for Construction



The machine expenses capitalized for construction relates to the capitalization of operating expenses used for the internal construction of roads and bridges. These operating costs are included in the other operating expenses, such as wages/benefits, engineering costs, gravel, culverts, crop damages and other costs relating to the construction. The County breaks this amount out instead of netting the expenditure against what is capitalized. The following was the resulting machine costs capitalized for construction (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
Machine expenses capitalized for construction	\$ (2,066,788)	\$ (1,423,600)	\$ (2,134,920)	\$ (2,177,619)	\$ (2,221,172)	\$ (2,221,172)



The machine expenses capitalized for construction relates to the internal capital construction projects that the County provided (i.e., construction of roads and bridges); whereas, per the capital plan, the County typically replaces 10 miles of road per year and the bridges will vary from year-to-year depending on the bridge files and whether or not the County has the capacity to replace the bridges internally.



These expenses can vary significantly from year-to-year and are based on a percentage of the operating costs of the various departments within Public Works. Various costs within Public works are capitalized as part of road construction for internally constructed road projects. A portion of wages, materials, and overhead are allocated to the projects based on miles built and machine hours used.

*The 2023 actual machine expenses capitalized for construction was significantly less than budget as the County completed the Industrial Park during the year which somewhat reduced the overall road construction program as the County completed 4 miles of road and the roads within the Industrial Park (compared to the typical 10 miles per year).*



## Long-term Operating Forecasts

The County wants to ensure long-term financial stability in budgeting; therefore, the County has adopted the use of multi-year operating budgets and forecasts. The following is a summary of the County's long-term operating budgets and forecasting:

Vulcan County Three-year Operating Plan	Budget 2024	Budget 2025	Budget 2026	Budget 2027
<b>REVENUE:</b>				
<b>Net municipal taxes</b>				
Real property taxes	\$ 7,363,349	\$ 7,200,747	\$ 7,219,462	\$ 7,219,462
Linear taxes	11,158,918	11,822,556	13,044,059	13,044,059
Commercial taxes	1,710,405	1,647,695	1,650,208	1,650,208
Government grants in lieu of taxes	21,661	21,661	21,661	21,661
Special levy	1,509,962	1,423,683	1,440,589	1,440,589
Well drilling tax	156	156	156	156
	21,764,451	22,116,498	23,376,135	23,376,135
School requisitions	(3,588,907)	(3,588,907)	(3,588,907)	(3,588,907)
Designated industrial	(92,471)	(92,471)	(92,471)	(92,471)
RCMP requisitions	(354,204)	(354,204)	(354,204)	(354,204)
Seniors foundation	(560,513)	(560,513)	(560,513)	(560,513)
	17,168,356	17,520,403	18,780,040	18,780,040
<b>Government transfers</b>				
Provincial government transfers - Operating	576,844	527,163	527,163	527,163
Federal government transfers - Operating	249,405	249,405	249,405	249,405
Transfers from Local Government - Operating	189,295	178,569	182,025	182,025
	1,015,543	955,137	958,593	958,593
<b>Return on investments</b>	726,824	676,824	626,824	626,824
<b>Sale of goods, services, and user charges</b>	949,002	753,978	738,402	738,402
<b>Rental income</b>	320,680	319,680	319,600	319,600
<b>Community aggregate levy</b>	142,912	142,912	142,912	142,912
<b>Penalties and costs of taxes</b>	130,000	130,000	130,000	130,000
<b>Other revenue</b>				
Fines	11,500	11,500	11,500	11,500
	11,500	11,500	11,500	11,500
<b>TOTAL BUDGETED OPERATING REVENUES</b>	\$ 20,464,818	\$ 20,510,434	\$ 21,707,871	\$ 21,707,871
<b>EXPENSES:</b>				
<b>Salaries, wages and benefits</b>	\$ 9,312,253	\$ 9,492,608	\$ 9,524,984	\$ 9,609,619
<b>Contracted and general services</b>	3,370,418	2,943,801	2,903,929	2,935,760
<b>Materials, goods and utilities</b>	3,291,582	2,753,603	2,775,635	2,839,332
<b>Transfers to local boards and agencies</b>	2,025,374	1,973,769	1,998,446	1,998,446
<b>Interest and bank charges</b>				
Bank Charges and Short Term Interest	14,990	14,990	14,990	14,990
Interest on Capital Long Term Debt	27,078	23,626	23,626	20,087
	42,068	38,616	38,616	35,077
<b>Amortization of tangible capital assets</b>	4,876,656	4,876,656	4,876,656	4,876,656
<b>Machine expenses capitalized for construction</b>	(2,134,920)	(2,177,619)	(2,221,172)	(2,221,172)
<b>Other expenses</b>				
Contingency	20,000	20,000	20,000	20,000
Tax Discounts & Write-offs	216,483	206,839	206,787	206,787
ARO Accretion	20,046	20,834	21,654	21,654
Other	7,492	7,492	7,492	7,492
	264,021	255,165	255,933	234,279
<b>TOTAL BUDGETED OPERATING EXPENSES</b>	\$ 21,048,567	\$ 20,157,714	\$ 20,154,141	\$ 20,330,766
<b>RESERVE AND CAPITAL TRANSFERS:</b>				
Transfer of Amortization	4,877,771	4,877,771	4,877,771	4,877,771
Transfer of ARO Accretion	20,046	20,834	21,654	21,654
Transfer from Reserves	1,527,204	1,208,440	1,763,742	1,763,828
Transfer to Reserves	(3,694,351)	(4,282,146)	(5,245,725)	(5,069,186)
Transfer to Capital Functions	(2,146,920)	(2,177,619)	(2,221,172)	(2,221,172)
Transfer to Other Functions & Inventory	0	0	(750,000)	(750,000)
<b>TOTAL RESERVE AND CAPITAL TRANSFERS</b>	583,750	(352,720)	(1,553,730)	(1,377,106)
<b>TOTAL NET EFFECT ON ACCUMULATED SURPLUS</b>	\$ -	\$ -	\$ -	\$ -



Overall, the County's operating forecasts remains relatively consistent from year-to-year through its operations and services that are provided by the County to its ratepayers. The multi-year projections are determined through the budget process and use of the forecasting methodologies. The forecasting methodologies are outlined within the "Budgeting Guidelines" within this report.



[See the Revenue  
Forecasting Methodologies](#)



[See the Expense  
Forecasting Methodologies](#)

*There is also additional details on forecasting and future projections provided within each of the operating revenues and expenses sections (Operating Budget by Type).*

The following is a summary of the significant changes projected for 2025-2027:

- **Net Municipal Taxes** - There is projected increases over the next couple years, this include the projected increases in tax revenues from additional large linear projects coming on-line and increasing the assessment base for the County (including the Buffalo Plain Wind Project starting mid-2025). There is projected increases in linear tax revenues from the assessment growth; whereas, some of these increases are partially offset by potential tax rate reductions to residential & non-residential (if available, these would likely be smaller rate reductions than what was available in the last couple years). This is a continuation of the County's Strategic Planning and long-term tax and assessment analysis.
- **Sales of Goods, Services, and User Charges** - There is a projected decrease after 2024 as this will likely be the last year that the County will earn additional revenues from the road use agreement for the Buffalo Hills Wind project as the construction phase should be completed in late 2024.
- **Salaries, wages and benefits** - There is a projected increase from year-to-year; whereas, this is budgeted using the County's budgeting software, which includes staff projected increases with salary/wage grid movements, Cost of Living Adjustment (COLA), and the applicable staffing levels as certain positions are currently temporary (i.e., temporary grader driver for road use agreement and temporary development officer).
- **Contracted and General Services** - There is a projected decrease from 2024 as there are costs with the road use agreement (i.e., dust abatement) that end with this project and there are other one-time projects in 2024 (i.e., ORTHO project for mapping and other development projects). These should remain stable once these one-time costs are removed.
- **Materials, Goods & Utilities** - There is a projected decrease from 2024 as there are one-time material/equipment purchases in 2024 (i.e., equipment/tools and supplies for fire departments - reserve funded for replacements). There was also some larger IT projects that will be completed in 2024. These should remain stable once these one-time costs are removed.
- **Transfer to Inventory** - The upcoming gravel crushing project is projected for 2026/2027; whereas, the County hires a contractor to go into the Gravel Pits and crush gravel/rocks into specific gravel sizes for developing stock piles to be used for roads and other infrastructure requirements (gravel crushing is specifically reserve funded). This is treated as a transfer to inventory as these costs will be added to the gravel inventory (and not as gravel expenses until used for operations or capital projects).



# SEGMENT REPORTING

## Segment Reporting - Overview



Vulcan County provides numerous services to its citizens, including services within each of the major reporting segments: General Government, Protective Services, Transportation Services, Agricultural Services, Planning and Development Services, Community Services, and Utility Services

For management reporting and tracking purposes, these services are separated into segments/departments. Certain departments have been separately disclosed in the segmented information, along with the services they provide.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The following are each of the segment's budgeted operating revenues and expenses:

	General Government	Protective Services	Transportation Services	Agricultural Services	Planning and Development Services	Community Services	Utility Services	FINAL Budget 2024 Total
<b>REVENUE</b>								
Net municipal taxes	\$ 14,745,348	1,005,499	-	-	-	487,925	929,584	\$ 17,168,356
Government transfers (operating)	30,940	332,001	249,405	166,247	-	236,950	-	1,015,543
Return on investments	726,824	-	-	-	-	-	-	726,824
Sale of goods, services and user charges	36,200	118,836	492,235	220,095	90,540	-	2,596	960,502
Rental income	4,800	306,880	-	9,000	-	-	-	320,680
Community aggregate levy	-	-	142,912	-	-	-	-	142,912
Penalties and costs of taxes	130,000	-	-	-	-	-	-	130,000
Other revenues	-	-	-	-	-	-	-	-
	15,674,112	1,763,216	884,552	395,342	90,540	724,875	932,180	20,464,818
<b>EXPENSES</b>								
Salaries, wages and benefits	\$ 1,701,975	1,259,252	5,332,187	426,402	544,659	21,636	26,141	\$ 9,312,253
Contracted and general services	763,544	738,488	1,195,018	119,588	278,988	187,970	86,822	3,370,418
Materials, goods and utilities	360,304	494,634	2,199,779	215,877	2,300	6,030	12,658	3,291,582
Transfers to local boards and agencies	73,896	167,745	8,675	24,461	-	744,788	1,005,809	2,025,374
Interest and bank charges	14,990	-	-	-	-	27,078	-	42,068
Amortization of tangible capital assets	122,638	663,124	3,940,956	118,268	-	-	31,670	4,876,656
Amortization of ARO tangible capital assets	394	26	590	99	-	-	6	1,115
Accretion ARO expenses	15,573	63	3,699	694	-	-	17	20,046
Machine expenses capitalized for construction	-	-	(2,134,920)	-	-	-	-	(2,134,920)
Other expenses	230,821	5,515	-	-	-	1,255	6,384	243,975
	3,284,135	3,328,847	10,545,984	905,389	825,947	988,757	1,169,508	21,048,567
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>\$ 12,389,977</b>	<b>(1,565,631)</b>	<b>(9,661,432)</b>	<b>(510,047)</b>	<b>(735,407)</b>	<b>(263,882)</b>	<b>(237,327)</b>	<b>\$ (583,750)</b>

The above segment reporting is outlined in Schedule 6 (Schedule of Segmented Disclosure) of the Approved Operating and Capital Budget. This report provides a combination of reporting by type and by department and should assist the reader of the budget by showing which types of transactions occur within each department. [The County maintains a single "Operating Fund"/Operating Budget which the funds are mostly raised in General Government and resulting surplus funds the remaining departments.](#)

As the budget is in a format that is similar to the financial statements, the expenses are displayed by departments in the Statement of Operations and they are also displayed by type/object in the Schedule of Expenses by Object (Schedule 5). Segment reporting is the combination of these two methods of displaying the expenses.



[See Appendix 1 for the 2024 Approved Operating and Capital Budget](#)





The following is a reconciliation between the departments in the Statement of Operations and the major segment reporting:



**BUDGETED STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2024**

**EXPENSES**

Legislative	583,963
Administration	2,476,843
Protection services	3,328,847
Transportation services	10,545,984
Environmental use and protection	1,169,508
Family and community support	219,763
Community planning and development	825,947
Agricultural services	905,389
Tourism and economic development	42,376
Parks and recreation	726,618
Other	223,329

**TOTAL EXPENSES**

21,048,567

**General Government includes:**

- Legislative
- Administration
- Other

**Community Services includes:**

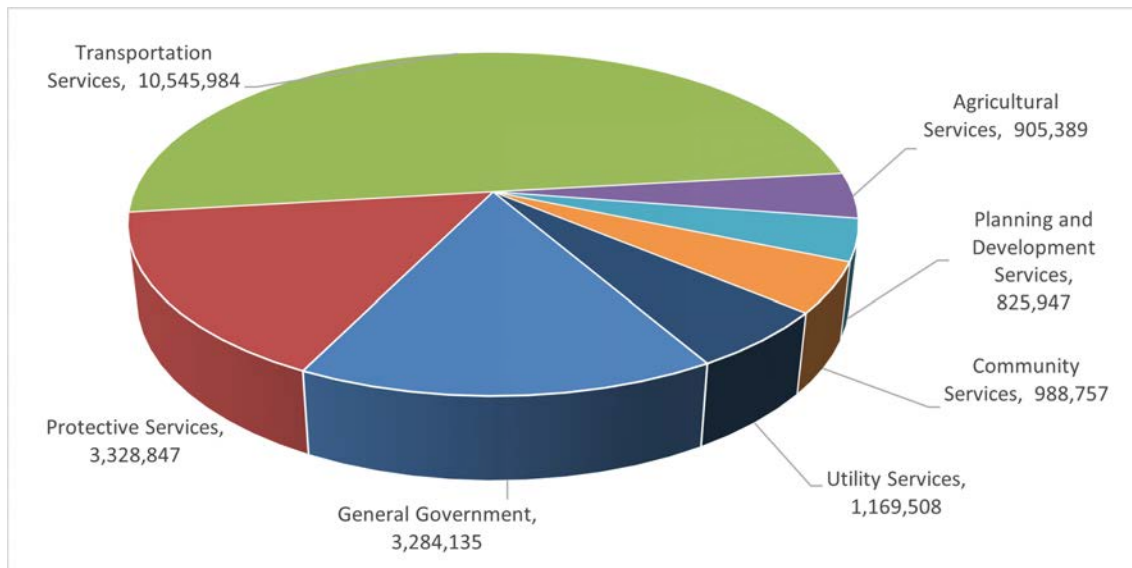
- Family and community services
- Parks and recreation
- Tourism and economic development

General Government		3,284,135	15.6%
Legislative	583,963		
Administration	2,476,843		
Other General	223,329		
Protective Services		3,328,847	15.8%
Transportation Services		10,545,984	50.1%
Agricultural Services		905,389	4.3%
Planning and Development Services		825,947	3.9%
Community Services		988,757	4.7%
Family and Community Services	219,763		
Parks and Recreation	726,618		
Tourism and Economic Development	42,376		
Utility Services		1,169,508	5.6%
		<u>21,048,567</u>	



*These totals for the major segments agree to the total expenses in the segment reporting, including details of types of expenses (i.e. salaries/wages, contracted services, materials, etc.).*

The following is the breakdown of expenses by each of the major segments:



As shown in the chart, Transportation Services represents the majority of all of the County's Expenditures (approx. 50.1%). As a County, the majority of the municipal activities typically relate to road and bridge infrastructure.



Introductory



Operating Budget



Capital & Reserves



Appendix & Glossary





The following is a reconciliation between the segment/department reporting and the reporting by the types of expenses:

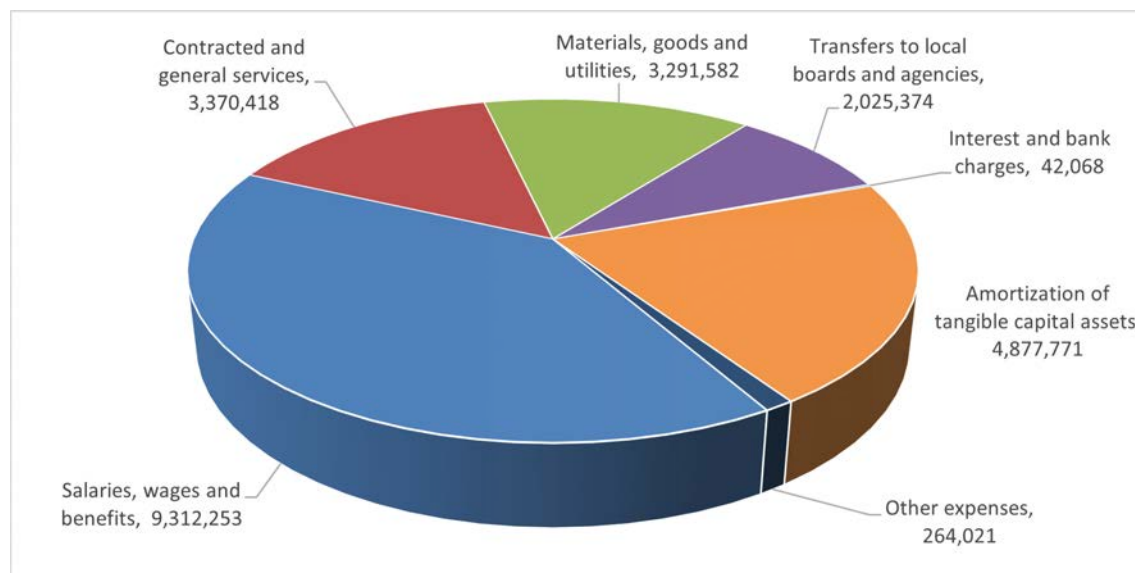
### Expenses - by segment/department

General Government		3,284,135	15.6%
Legislative	583,963		
Administration	2,476,843		
Other General	223,329		
Protective Services		3,328,847	15.8%
Transportation Services		10,545,984	50.1%
Agricultural Services		905,389	4.3%
Planning and Development Services		825,947	3.9%
Community Services		988,757	4.7%
Family and Community Services	219,763		
Parks and Recreation	726,618		
Tourism and Economic Development	42,376		
Utility Services		1,169,508	5.6%
		<b>21,048,567</b>	

*These totals for the major segments agree to the total expenses outlined in Schedule 5 (Schedule of Expenses by Object)*

### Expenses - by type/object

Salaries, wages and benefits	9,312,253	40.2%
Contracted and general services	3,370,418	14.5%
Materials, goods and utilities	3,291,582	14.2%
Transfers to local boards and agencies	2,025,374	8.7%
Interest and bank charges	42,068	0.2%
Amortization of tangible capital assets	4,877,771	21.0%
Other expenses	264,021	1.1%
	<b>23,183,487</b>	
Machine expenses capitalized for construction	<b>(2,134,920)</b>	
	<b>21,048,567</b>	





## FTE STAFFING

The following is a summary of the budgeted staffing within each of the major segments, including the full-time equivalents (FTE) staffing in each of the staffing categories:



### Budget 2024

#### Full-Time Equivalents (FTE)

	General Government	Protective Services	Transportation Services	Agricultural Services	Planning and Development Services	Total FTE
Management	2.00	1.00	1.00	1.00	-	5.00
Operations (Public Works)	-	-	41.93	-	-	41.93
Corporate Services	8.00	-	-	-	-	8.00
Protective Services	-	5.05	-	-	-	5.05
Agricultural Services	-	-	-	2.50	-	2.50
Development Services	-	-	-	-	4.00	4.00
Legislative Services	2.00	-	-	-	-	2.00
	12.00	6.05	42.93	3.50	4.00	68.48

\* FTE is based on full-time annual positions (i.e., Seasonal staff are a partial FTE). Overtime hours are in excess of regular FTE (i.e., full-time staff with OT can create greater than 1 FTE).

See the following sections for each major segment for an analysis of staffing within each of the major segments. Note that both Community and Utility Services segments have no specific staffing allocated in terms of staffing full-time equivalents (FTE), even if some costing is allocated within these segment/departments. Any related oversight of these segments would be included within general government.



For additional reference purposes, the following is the prior year segment reporting is outlined in Schedule 6 (Schedule of Segmented Disclosure) for Budget 2023.

	General Government	Protective Services	Transportation Services	Agricultural Services	Planning and Development Services	Community Services	Utility Services	FINAL Budget: 2023 Total
<b>REVENUE</b>								
Net municipal taxes	\$ 13,241,595	918,029	-	-	-	430,633	964,776	\$ 15,555,033
Government transfers (operating)	29,425	288,984	249,405	123,907	-	236,950	-	928,671
Return on investments	576,824	-	-	-	-	-	-	576,824
Sale of goods, services and user charges	388,200	127,736	508,778	234,175	89,965	-	5,896	1,354,750
Rental income	7,100	306,880	-	8,000	-	-	-	321,980
Community aggregate levy	-	-	140,110	-	-	-	-	140,110
Penalties and costs of taxes	194,000	-	-	-	-	-	-	194,000
Other revenues	7,500	-	-	-	-	-	-	7,500
	14,444,644	1,641,629	898,293	366,082	89,965	667,583	970,672	19,078,869
<b>EXPENSES</b>								
Salaries, wages and benefits	\$ 1,505,004	949,244	4,907,469	411,527	410,856	19,343	23,050	\$ 8,226,494
Contracted and general services	763,817	647,822	1,104,096	96,439	211,915	182,214	88,492	3,094,795
Materials, goods and utilities	343,703	383,733	2,288,312	207,489	2,975	7,030	7,638	3,240,880
Transfers to local boards and agencies	88,896	177,869	8,000	24,372	-	724,925	991,030	2,015,092
Interest and bank charges	14,697	-	-	-	-	30,445	-	45,142
Amortization of tangible capital assets	111,923	562,263	4,026,775	90,640	-	-	27,014	4,818,615
Machine expenses capitalized for construction	-	-	(2,066,788)	-	-	-	-	(2,066,788)
Other expenses	39,945	94	-	-	-	34	90	40,163
	2,867,985	2,721,026	10,267,864	830,467	625,746	963,991	1,137,314	19,414,393
<b>OPERATING SURPLUS - BEFORE OTHER</b>	\$ 11,576,659	(1,079,396)	(9,369,571)	(464,385)	(535,781)	(296,408)	(166,641)	\$ (335,524)

These comparison figures are included within each of the following sections for each major segment.



## Segment Reporting - General Government



General Government includes legislative and administrative matters, including Council expenditures and administration costs required to operate Vulcan County. Activities within General Government include: general municipal expenditures, Council expenditures, financial statement preparation and reporting, accounts receivable and payable, payroll, information technology (IT), geographical information systems (GIS), and property assessment and taxation. This assists with the Strategic Plan's goals of providing "Responsible and Transparent Leadership and Governance", "Attracting, Engaging, and Retain New and Existing Employees", and supporting with most other priorities/goals.

The following is budget summary of the General Government segment:

General Government Segment Reporting	Budget 2024	Budget 2023	Change
<b>REVENUE</b>			
Net municipal taxes	\$ 14,745,348	\$ 13,241,595	1,503,753
Government transfers (operating)	30,940	29,425	1,515
Return on investments	726,824	576,824	150,000
Sale of goods, services and user charges	36,200	388,200	(352,000)
Rental income	4,800	7,100	(2,300)
Community aggregate levy	-	-	-
Penalties and costs of taxes	130,000	194,000	(64,000)
Other revenues	-	7,500	(7,500)
	<b>\$ 15,674,112</b>	<b>\$ 14,444,644</b>	<b>1,229,468</b>
<b>EXPENSES</b>			
Salaries, wages and benefits	\$ 1,701,975	\$ 1,505,004	196,971
Contracted and general services	763,544	763,817	(274)
Materials, goods and utilities	360,304	343,703	16,601
Transfers to local boards and agencies	73,896	88,896	(15,000)
Interest and bank charges	14,990	14,697	293
Amortization of tangible capital assets	122,638	111,923	10,715
Amortization of ARO tangible capital assets	394	-	394
Accretion ARO expenses	15,573	-	15,573
Machine expenses capitalized for construction	-	-	-
Other expenses	230,821	39,945	190,876
	<b>\$ 3,284,135</b>	<b>\$ 2,867,985</b>	<b>416,150</b>
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>\$ 12,389,977</b>	<b>\$ 11,576,659</b>	<b>813,318</b>



### SEGMENT BUDGET OVERVIEW:

#### SEGMENT FUNDING

The General Government segment provides the majority of all revenues for the County by way of general municipal taxation. Other revenues that are only applicable to this segment are the return on investments and the tax penalties.

Government transfers includes contributions for shared IT services and LGFF operating funding. The sales of goods, services and user charges relate to issuance of tax certificates and cost recoveries.

#### SEGMENT EXPENSES

The expenditures are the costs required to provide the services included in this segment. These are the costs for the following:

- General Municipal (10-00)
- Legislative Services (11-xx)
- Administration Services (12-02)
- Elections, Census & Referendums (19-01)
- Other Government Requisitions (81-01)

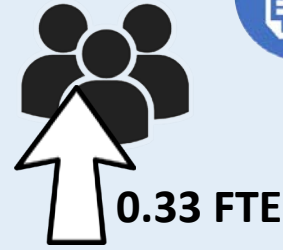
The transfers to local boards and agencies include Rainbow Literacy, STARS/HALO Air Ambulance, and other various organizations. Interest and bank charges mostly relate to credit card fees. Other expenses relate to tax write-offs and the contingency funds.



## FTE STAFFING

The following is a summary of the budgeted full-time equivalent (FTE):

General Government Full-Time Equivalents (FTE)				
	2024 Budget	2023 Budget	2023 Actual	Change in Budget
Management	2.00	2.00	2.00	-
Corporate Services	8.00	7.67	7.00	0.33
Legislative Services	2.00	2.00	2.00	-
	12.00	11.67	11.00	0.33



Management includes the Chief Administrative Officer (CAO) and the Director of Corporate Services. Staffing includes positions within Corporate Services and Legislative Services (see the organization charts for more information). The increase of 0.33 FTE relates to the mid-year addition of the senior information technology technician to further support with IT capacity concerns in the prior year (was 0.67 FTE for partial year).

The following is a summary of all departments, including revenues and expenses, that are included within the General Government segment:

### General Government - Segment Budget 2024

	General Municipal 10-00	Legislative General 11-00	Legislative Division 1 11-01	Legislative Division 2 11-02	Legislative Division 3 11-03	Legislative Division 4 11-04	Legislative Division 5 11-05	Legislative Division 6 11-06
<b>REVENUE</b>								
Net municipal taxes	\$ 14,772,090	-	-	-	-	-	-	-
Government transfers (operating)	-	-	-	-	-	-	-	-
Return on investments	726,824	-	-	-	-	-	-	-
Sale of goods, services and user charges	-	-	-	-	-	-	-	-
Rental income	4,800	-	-	-	-	-	-	-
Community aggregate levy	-	-	-	-	-	-	-	-
Penalties and costs of taxes	130,000	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
	15,633,714	-	-	-	-	-	-	-
<b>EXPENSES</b>								
Salaries, wages and benefits	\$ -	181,604	37,471	29,246	45,520	49,196	48,605	37,545
Contracted and general services	7,718	44,288	8,784	3,683	3,361	17,054	13,283	8,253
Materials, goods and utilities	29,964	10,450	-	-	-	-	-	-
Transfers to local boards and agencies	73,896	-	-	-	-	-	-	-
Interest and bank charges	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	-	-	-	-	-	-	-	-
Amortization of ARO tangible capital assets	-	-	-	-	-	-	-	-
Accretion ARO expenses	-	-	-	-	-	-	-	-
Machine expenses capitalized for construction	-	-	-	-	-	-	-	-
Other expenses	224,603	-	-	-	-	-	-	-
	336,181	236,342	46,255	32,929	48,881	66,250	61,888	45,798
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ 15,297,533	(236,342)	(46,255)	(32,929)	(48,881)	(66,250)	(61,888)	(45,798)

### General Government - Segment Budget 2024

	Legislative Division 7 11-07	General Administration 12-02	Elections, Census and Referendums 19-01	Other Government Requisitions 81-01	General Government Total
<b>REVENUE</b>					
Net municipal taxes	\$ -	-	-	(26,742)	14,745,348
Government transfers (operating)	-	30,940	-	-	30,940
Return on investments	-	-	-	-	726,824
Sale of goods, services and user charges	-	36,200	-	-	36,200
Rental income	-	-	-	-	4,800
Community aggregate levy	-	-	-	-	-
Penalties and costs of taxes	-	-	-	-	130,000
Other revenues	-	-	-	-	-
	-	67,140	-	(26,742)	15,674,112
<b>EXPENSES</b>					
Salaries, wages and benefits	\$ 36,664	1,236,124	-	-	1,701,975
Contracted and general services	8,956	648,164	-	-	763,544
Materials, goods and utilities	-	319,890	-	-	360,304
Transfers to local boards and agencies	-	-	-	-	73,896
Interest and bank charges	-	14,990	-	-	14,990
Amortization of tangible capital assets	-	122,638	-	-	122,638
Amortization of ARO tangible capital assets	-	394	-	-	394
Accretion ARO expenses	-	15,573	-	-	15,573
Machine expenses capitalized for construction	-	-	-	-	-
Other expenses	-	-	-	6,218	230,821
	45,620	2,357,773	-	6,218	3,284,135
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ (45,620)	(2,290,633)	-	(32,960)	12,389,977



The following is a summary of the operating segment for the department level revenues and expenses within the segment (with projections for the following three years):



Vulcan County Budget Segments	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>SEGMENT - GENERAL GOVERNMENT</b>						
<b>REVENUES:</b>						
10-00 General Municipal Function	\$ 14,379,019	\$ 17,745,103	\$ 15,633,714	\$ 15,997,881	\$ 17,147,881	\$ 17,147,881
11-00 Legislative Services - General	-	-	-	-	-	-
12-02 General Administration	65,625	66,687	67,140	64,686	63,576	63,576
19-01 Elections, Census and Referendums	-	-	-	15,576	-	-
81-01 Other Government Requisitions	-	362,339	32,960	32,960	26,368	26,368
	<b>14,444,644</b>	<b>18,174,129</b>	<b>15,667,894</b>	<b>16,045,183</b>	<b>17,185,089</b>	<b>17,185,089</b>
<b>EXPENSES:</b>						
10-00 General Municipal Function	\$ 206,463	\$ 829,095	\$ 336,181	\$ 326,811	\$ 326,811	\$ 329,245
11-00 Legislative Services - General	214,881	188,971	236,342	243,708	251,581	256,735
11-01 Legislative Services - Division 1	35,015	27,148	46,255	45,816	48,294	48,433
11-02 Legislative Services - Division 2 (Deputy Reeve)	34,839	32,239	32,929	35,634	36,913	36,987
11-03 Legislative Services - Division 3 (Reeve)	50,798	40,070	48,881	51,494	55,396	55,463
11-04 Legislative Services - Division 4	54,015	58,022	66,250	66,607	70,154	70,433
11-05 Legislative Services - Division 5	42,079	55,966	61,888	66,026	69,327	69,583
11-06 Legislative Services - Division 6	35,576	33,349	45,798	48,998	50,204	50,369
11-07 Legislative Services - Division 7	39,509	42,553	45,620	48,735	50,754	50,933
12-02 General Administration	2,154,813	2,054,144	2,357,773	2,366,893	2,386,623	2,425,472
19-01 Elections, Census and Referendums	-	-	-	15,576	-	-
	<b>2,867,985</b>	<b>3,361,556</b>	<b>3,277,917</b>	<b>3,316,298</b>	<b>3,346,057</b>	<b>3,393,653</b>
<b>OPERATING SURPLUS - BEFORE OTHER (EXCLUDING CAPITAL AND TRANSFERS)</b>	<b>\$ 11,576,659</b>	<b>\$ 14,812,573</b>	<b>\$ 12,389,977</b>	<b>\$ 12,728,885</b>	<b>\$ 13,839,032</b>	<b>\$ 13,791,436</b>

## BUDGET HIGHLIGHTS

The following are some of the 2024 budget highlights for General Government:

- Increases in assessment values (including the linear assessment from the large solar project); whereas, the County was able to still increase total tax revenues while providing a 31.67% reduction in the general municipal residential tax rate and a 4.45% reduction in the general municipal non-residential tax rates (as part of the County's Strategic Planning - 2nd year in a row with significant reductions).
- Increase in Return on Investments as a result of increased interest rates.
- Decrease in Sales of Goods and Services as the prior year included a land sale of \$352,000; whereas, the current budget has no projected land sales.
- Decrease in Penalties and Cost of Taxes as the County has had a higher rate of collection of tax balances in the last couple years.
- Staffing increased by 0.33 FTE within the Information Technology (IT) department as the prior year had a mid-year addition to support with capacity constraints (was a 0.67FTE in Budget 2023). Other increases relate to increased wage grids and benefit costs.
- Contracted Services had increases in training and travel costs for Council/staffing and insurance costs; however, these increases were offset by reduction including that the prior year included a comprehensive facility environmental assessment (in preparation PSAS 3280 for Asset Retirement Obligations) and a staff compensation review (as part of the County's Strategic Planning) during Budget 2023.
- Other expenses increased significantly in Budget 2024 as these included Tax Discounts & Write-offs with the residual taxable linear assessment (provided by the Provincial Assessor) on previously insolvent oil & gas companies written off in prior years; whereas, this is to pro-actively write-off the applicable tax revenues included within the budget on this residual assessment.



## DEPARTMENTAL OBJECTIVES, GOALS, AND PERFORMANCE MEASURES:



### **10-00 - General Municipal Function**

General Municipal Function is used to record revenues and expenditures that have a global Corporate impact and cannot be assigned to a particular function. Examples are Municipal Taxes on the Revenue side and a General Contingency Fund on the Expense side. The excess of revenue over expenditure in this Department is counter-balanced by deficits in other departments for which individual tax rates are not levied to derive revenues. Each year, the budget is established in December using the previous year's assessment values, with a tentative tax rate set. Once the current year assessment values are received at the end of February, those numbers are updated and the Budget is given final approval in April, in time to approve the Tax Rate Bylaws and generate and mail out the annual Assessment and Tax Notices. A priority of this department is to keep the general tax rates competitive with other municipalities.

### **11-XX - Legislative Services**

Legislative Services encompasses all activities related to County Council. These include memberships in political associations and related travel and associated costs to attend conferences. A portion of administrative support staff costs are also allocated to this function. The County currently has 7 electoral divisions with each division having its own department to track its costs separately. A goal of this department is to provide efficient and effective governance to the County operations.

### **12-02 - Administrative Services**

Overall management and administration services required primarily to administer the municipality as a whole and operate the Municipal Office. Activities include central office operations, customer service, A/R and A/P, assessment & taxation, payment and collection for all services provided by the County, Payroll and HR, IT services, GIS services, and the sale of information, pins, maps etc. In contributing to the achievement of this objective, the CAO's Office and the Corporate Services Department focus on Policy Development and Review, Bylaw Administration, enhanced customer service, improved communications both internally with Staff and Council, and externally with the public at large. A priority of this department is to provide efficient and effective governance, including providing timely communication to the ratepayers.

### **19-01 - Elections, Census & Referendums**

Municipal Elections are held every 4 years and, at the discretion of Council, a by-election or referendum/plebiscite may be required, or a census other than the Federal Census. Costs and activities for these requirements are recorded in this functional area. 2021 is was the prior election year; therefore no related costs until the next projected election (2025).

### **81-01 - Other Government Requisitions**

This function serves to represent the portion of the overall Tax Levy which is required to be collected by Vulcan County on behalf of other authorities and redistributed back to those authorities. Education and Seniors' Foundation requisitions are in this area. The values represented in the Interim Budget represent the same numbers as the prior year in terms of dollars, tax rates and assessment values. These values and dollar amounts are then updated once hard assessment numbers are finalized in March/April and the Actual Requisition numbers are received.

### **Additional Objectives, Goals, and Performance Measures:**

As part of the County's Strategic Planning, Administration within this departments supported Council with reviewing many different tax/assessment scenarios and analysis, including comparing tax rates and assessment to neighboring and other comparable municipalities during the budget process. This is done in an effort to ensure Vulcan County's rates are competitive while still addressing the unique needs of the County. This included further detailed analysis and review on the "Tax Base Balance Ratio" performance measure.



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## Segment Reporting - Protective Services

Protective Services is comprised of emergency management, health and safety, bylaw enforcement and fire services. This department prepares and coordinates the Municipal Emergency Plan and related plans and programs. The Protective Services department administers the fire districts within Vulcan County, ensuring compliance as per the Quality Management Plan. Other services with respect to fire include public education and fire prevention. Bylaw enforcement is provided by Vulcan County's Community Peace Officers (CPO). This assists with the Strategic Plan's goals of providing "Safe Communities".

The following is budget summary of the Protective Services segment:

Protective Services Segment Reporting	Budget 2024	Budget 2023	Change
<b>REVENUE</b>			
Net municipal taxes	\$ 1,005,499	\$ 918,029	87,470
Government transfers (operating)	332,001	288,984	43,017
Return on investments	-	-	-
Sale of goods, services and user charges	118,836	127,736	(8,900)
Rental income	306,880	306,880	-
Community aggregate levy	-	-	-
Penalties and costs of taxes	-	-	-
Other revenues	-	-	-
	<b>\$ 1,763,216</b>	<b>\$ 1,641,629</b>	<b>121,587</b>
<b>EXPENSES</b>			
Salaries, wages and benefits	\$ 1,259,252	\$ 949,244	310,008
Contracted and general services	738,488	647,822	90,667
Materials, goods and utilities	494,634	383,733	110,901
Transfers to local boards and agencies	167,745	177,869	(10,124)
Interest and bank charges	-	-	-
Amortization of tangible capital assets	663,124	562,263	100,861
Amortization of ARO tangible capital assets	26	-	26
Accretion ARO expenses	63	-	63
Machine expenses capitalized for construction	-	-	-
Other expenses	5,515	94	5,421
	<b>\$ 3,328,847</b>	<b>\$ 2,721,026</b>	<b>607,822</b>
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>(1,565,631)</b>	<b>(1,079,396)</b>	<b>(486,235)</b>



### SEGMENT BUDGET OVERVIEW:

#### SEGMENT FUNDING

The Protective Services segment revenues include the special tax levies relating to the Fire Protection Areas. Government transfers include LGFF operating funding for the CPO positions and grants for training and developing regional emergency management and safety plans.

Sales of goods/services and user charges include the recoveries of charges from highway accidents and recovery of utility charges on rentals. Rental income includes the rentals of the Tri-Services building to the RCMP and AHS.

#### SEGMENT EXPENSES

The expenditures are the costs required to provide the services included in this segment. These are the costs for the following:

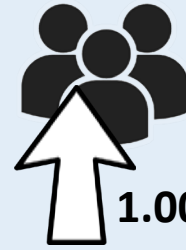
- Police Protection (21-01)
- Fire Protection (23-xx)
- Emergency Management (24-01)
- Ambulance services (25-01)
- Regulatory Services (26-01)
- Health & Safety (27-01)

The transfers to local boards and agencies include contributions to Fire Associations.



## FTE STAFFING

The following is a summary of the budgeted full-time equivalent (FTE):



**1.00 FTE**

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### Protective Services Full-Time Equivalents (FTE)

	2024 Budget	2023 Budget	2023 Actual	Change in Budget
Management	1.00	1.00	1.00	-
Protective Services	5.05	4.05	4.05	1.00
	6.05	5.05	5.05	1.00

Management includes the Director of Protective Services. Staffing includes positions within Protective Services, including Community Peace Officer, Fire Prevention Officer, and administrative support (see the organization charts for more information). The increase of 1.00 FTE relates to the addition of a 2nd Community Peace Officer (CPO) to increase capacity and coverage. This was part of the Strategic Priority of "Safe Communities".

The following is a summary of all departments, including revenues and expenses, that are included within the Protective Services segment:

#### Protective Services - Segment Budget 2024

	Police Protection 21-01	Fire Protection General 23-01	Fire Prevention General 23-02	Fire Protection Northwest 23-16	Fire Protection Milo 23-17	Fire Protection Lomond 23-19	Fire Protection Champion 23-20	Fire Protection Carmangay 23-21
<b>REVENUE</b>								
Net municipal taxes	\$ -	396,924	-	132,782	133,768	73,572	99,879	93,333
Government transfers (operating)	-	29,443	-	-	-	3,835	25,942	44,295
Return on investments	-	-	-	-	-	-	-	-
Sale of goods, services and user charges	-	5,000	-	-	10,000	10,000	18,000	6,536
Rental income	210,000	9,000	-	-	-	-	-	-
Community aggregate levy	-	-	-	-	-	-	-	-
Penalties and costs of taxes	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
	210,000	440,367	-	132,782	143,768	87,407	143,821	144,164
<b>EXPENSES</b>								
Salaries, wages and benefits	\$ 16,997	574,692	74,022	1,166	840	26,130	47,050	54,145
Contracted and general services	84,750	260,164	48,857	6,075	5,654	38,370	36,684	26,795
Materials, goods and utilities	18,465	128,047	15,500	-	-	38,707	49,304	60,456
Transfers to local boards and agencies	-	-	-	85,350	82,395	-	-	-
Interest and bank charges	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	75,822	235,068	-	5,638	40,663	53,263	90,321	46,238
Amortization of ARO tangible capital assets	-	26	-	-	-	-	-	-
Accretion ARO expenses	-	63	-	-	-	-	-	-
Machine expenses capitalized for construction	-	-	-	-	-	-	-	-
Other expenses	-	5,515	-	-	-	-	-	-
	196,034	1,203,575	138,379	98,229	129,552	156,470	223,359	187,634
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ 13,966	(763,208)	(138,379)	34,553	14,216	(69,063)	(79,538)	(43,470)

#### Protective Services - Segment Budget 2024

	Fire Protection Vulcan Rural 23-27	Emergency Management 24-01	Ambulance Services 25-01	Regulatory Services 26-01	Health & Safety 27-01	Protective Services Total
<b>REVENUE</b>						
Net municipal taxes	\$ 75,241	-	-	-	-	1,005,499
Government transfers (operating)	67,894	3,267	-	157,326	-	332,001
Return on investments	-	-	-	-	-	-
Sale of goods, services and user charges	36,000	-	8,700	24,600	-	118,836
Rental income	-	-	87,880	-	-	306,880
Community aggregate levy	-	-	-	-	-	-
Penalties and costs of taxes	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
	179,135	3,267	96,580	181,926	-	1,763,216
<b>EXPENSES</b>						
Salaries, wages and benefits	\$ 57,200	75,273	-	281,076	50,660	1,259,252
Contracted and general services	71,975	19,556	26,604	59,261	53,744	738,488
Materials, goods and utilities	109,430	5,017	12,675	27,242	29,791	494,634
Transfers to local boards and agencies	-	-	-	-	-	167,745
Interest and bank charges	-	-	-	-	-	-
Amortization of tangible capital assets	89,016	3,919	9,369	13,807	-	663,124
Amortization of ARO tangible capital assets	-	-	-	-	-	26
Accretion ARO expenses	-	-	-	-	-	63
Machine expenses capitalized for construction	-	-	-	-	-	-
Other expenses	-	-	-	-	-	5,515
	327,621	103,765	48,648	381,386	134,195	3,328,847
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ (148,486)	(100,499)	47,932	(199,460)	(134,195)	(1,565,631)



The following is a summary of the operating segment for the department level revenues and expenses within the segment (with projections for the following three years):



Vulcan County Budget Segments	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>SEGMENT - PROTECTIVE SERVICES</b>						
<b>REVENUES:</b>						
21-01 Police Protection	\$ 210,000	\$ 206,400	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000
23-01 Fire Protection Services - General	265,390	336,188	440,367	415,924	415,924	415,924
23-02 Fire Prevention Services - General	-	-	-	-	-	-
23-16 Fire Protection Services - Northwest	170,631	184,608	132,782	148,503	152,374	152,374
23-17 Fire Protection Services - Milo	142,980	139,471	143,768	135,500	137,512	137,512
23-27 Fire Protection Services - Vulcan	179,264	253,697	179,135	160,220	167,526	167,526
23-19 Fire Protection Services - Lomond	112,370	120,565	87,407	78,836	85,638	85,638
23-20 Fire Protection Services - Champion	159,886	189,347	143,821	132,653	135,997	135,997
23-21 Fire Protection Services - Carmangay	107,853	114,461	144,164	117,851	114,867	114,867
24-01 Emergency Management	4,334	4,156	3,267	3,018	3,029	3,029
25-01 Ambulance Services	96,480	97,499	96,580	96,580	96,500	96,500
26-01 Regulatory Services	192,441	179,167	181,926	184,380	185,490	185,490
27-01 Health & Safety	-	-	-	-	-	-
	<b>1,641,629</b>	<b>1,825,559</b>	<b>1,763,216</b>	<b>1,683,465</b>	<b>1,704,857</b>	<b>1,704,857</b>
<b>EXPENSES:</b>						
21-01 Police Protection	\$ 156,911	\$ 155,449	\$ 196,034	\$ 161,170	\$ 161,791	\$ 162,439
23-01 Fire Protection Services - General	1,109,474	978,987	1,203,575	1,129,244	1,134,426	1,123,443
23-02 Fire Prevention Services - General	-	-	138,379	101,887	103,834	103,834
23-16 Fire Protection Services - Northwest	112,151	118,864	98,229	118,229	118,229	118,229
23-17 Fire Protection Services - Milo	68,895	118,711	129,552	129,569	129,569	129,632
23-27 Fire Protection Services - Vulcan	303,172	363,036	327,621	256,283	255,500	256,203
23-19 Fire Protection Services - Lomond	145,148	143,222	156,470	151,889	148,631	148,704
23-20 Fire Protection Services - Champion	203,893	209,310	223,359	210,387	210,504	211,015
23-21 Fire Protection Services - Carmangay	105,863	126,344	187,634	155,355	148,556	148,597
24-01 Emergency Management	106,814	86,219	103,765	106,059	101,095	101,736
25-01 Ambulance Services	30,178	20,302	48,648	24,924	24,924	24,924
26-01 Regulatory Services	244,689	234,623	381,386	367,424	370,614	375,041
27-01 Health & Safety	133,838	72,219	134,195	120,810	125,723	126,562
	<b>2,721,026</b>	<b>2,627,286</b>	<b>3,328,847</b>	<b>3,033,229</b>	<b>3,033,396</b>	<b>3,030,359</b>
<b>OPERATING SURPLUS - BEFORE OTHER (EXCLUDING CAPITAL AND TRANSFERS)</b>	<b>\$ (1,079,396)</b>	<b>\$ (801,727)</b>	<b>\$ (1,565,631)</b>	<b>\$ (1,349,764)</b>	<b>\$ (1,328,539)</b>	<b>\$ (1,325,502)</b>

## BUDGET HIGHLIGHTS

The following are some of the 2024 budget highlights for Protective Services:

- All 6 fire districts saw decreases in the Fire Protection Special Tax Rates as there was an increased linear allocation to each of the department and there was also increases in district assessment throughout the County and significant increases in linear taxes relating to fire protection.
- Increases in government transfers for additional fire protection service grants for Search & Rescue and Medical First Responder programs for specific training/equipment and adding the budgeted cost recoveries from the urban municipalities within the County for fire protection.
- Increases in Salary, Wages & Benefits were mostly the result with the addition of a 2nd Community Peace Officer (CPO) to increase capacity/coverage. There was also an increased allocation of a heavy duty mechanic towards supporting protective services (internal transfer between transportation and protective services from the prior year). Other increases relate to increased wage grids and benefit costs.
- Increases in Contracted Services for the building maintenance costs for the Tri-Services building (reserve funded) and some equipment repairs.
- Increases in Materials, Goods & Utilities as there was tool and equipment replacements at multiple fire department, including replacement of high pressure airbags, positive pressure ventilation fans, and rope rescue equipment (funded by grants).



## DEPARTMENTAL OBJECTIVES, GOALS, AND PERFORMANCE MEASURES:



### **21-01 - Police Protection Services**

The Royal Canadian Mounted Police (RCMP) is Canada's national police service. The County has a working relationship with the RCMP which includes leasing a building to them so they may provide service in our area. An objective of this department is to utilize the rental revenues towards future capital replacement.

### **23-XX - Fire Protection Services**

Providing fire protection services to the County and its residents. To work with all stakeholders within the County to provide cost effective efficient emergency services. To manage and provide Fire Life Safety Inspections, Fire Prevention, and Safety training. The County currently has 6 fire protection districts with separate departments to track the costs within each (which assists in determining the special tax levies within each district). Goals of this department include the future regionalization of all of the fire departments, and providing effective and efficient fire services. Fire Prevention Services has been separated into its own budget center within this department starting in 2024 (previously included within General Fire Protection Services).

### **24-01 - Emergency Management**

Ensures that all municipalities and collaborative groups within the County work together in the prevention, preparedness and response to disasters and emergencies. This ensures the delivery of vital services during a crisis.

### **25-01 - Ambulance Services**

Vulcan County continues to have a working relationship with Ambulance Services provided by Alberta Health Services. By providing the Tri-Services building rental, Vulcan County helps reassure its residents they have these services.

### **26-01 - Regulatory Services**

Responsible for the overall interpretation and enforcement of Provincial Statutes and Municipal Bylaws within the County and other contracted municipalities. Activities include infrastructure protection, road safety, inspections, investigations, and assistance to other municipal and emergency services. Regulatory services achieves success through collaboration, cooperation and communication with other municipal, provincial and federal departments to evaluate and deliver effective law enforcement. A goal of this department is to provide timely services and bylaw enforcement within the County.

### **27-01 - Health and Safety**

Vulcan County supports initiatives that contribute to the overall Health and Safety of the staff within the organization. This area covers purchasing of protective equipment and tools, first aid supplies, safety training and software. An objective of this department is to make improvements to the health and safety program so the County can receive/maintain its Certificate of Recognition (COR) status.



Introductory



Operating Budget



Capital & Reserves



Appendix & Glossary





## Segment Reporting - Transportation Services

The Transportation Department is responsible for the delivery of municipal public works services relating to the maintenance and construction of roadways and bridges. This department ensures appropriate agreements are in place (i.e. access agreements, pipeline crossings, road and rural addressing signage, etc.) to minimize liability concerns. This assists with the Strategic Plan's goals of providing "Continued Investment into Infrastructure and Required Equipment".

The following is budget summary of the Transportation Services segment:

Transportation Services Segment Reporting	Budget 2024	Budget 2023	Change
<b>REVENUE</b>			
Net municipal taxes	\$ -	\$ -	-
Government transfers (operating)	249,405	249,405	-
Return on investments	-	-	-
Sale of goods, services and user charges	492,235	508,778	(16,543)
Rental income	-	-	-
Community aggregate levy	142,912	140,110	2,802
Penalties and costs of taxes	-	-	-
Other revenues	-	-	-
	<b>\$ 884,552</b>	<b>\$ 898,293</b>	<b>(13,741)</b>
<b>EXPENSES</b>			
Salaries, wages and benefits	\$ 5,332,187	\$ 4,907,469	424,718
Contracted and general services	1,195,018	1,104,096	90,922
Materials, goods and utilities	2,199,779	2,288,312	(88,533)
Transfers to local boards and agencies	8,675	8,000	675
Interest and bank charges	-	-	-
Amortization of tangible capital assets	3,940,956	4,026,775	(85,819)
Amortization of ARO tangible capital assets	590	-	590
Accretion ARO expenses	3,699	-	3,699
Machine expenses capitalized for construction	(2,134,920)	(2,066,788)	(68,132)
Other expenses	-	-	-
	<b>\$ 10,545,984</b>	<b>\$ 10,267,864</b>	<b>278,120</b>
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>(9,661,432)</b>	<b>(9,369,571)</b>	<b>(291,861)</b>



## SEGMENT BUDGET OVERVIEW:

### SEGMENT FUNDING

Transportation Services segment revenues include government transfers (Canadian Community-Building Fund grant funding - previously known as the Federal Fuel Gas Tax program) for road construction projects.

Sales of goods/services and user charges include the sale of gravel to the Town/Villages and to individuals/companies, recoveries on the dust abatement program, and providing other services with fees (i.e. driveway maintenance).

This is the only segment that includes the Community Aggregate Levies as these levies are to assist with road maintenance programs.

### SEGMENT EXPENSES

The expenditures are the costs required to provide the services included in this segment. These are the costs for the following:

- Common Services (31-01)
- Road Transportation (32-00)
- Road Construction (32-01)
- Road Maintenance (32-02)
- Road Graveling (32-03)
- Bridges (32-04)
- Air Transportation (33-01)

The transfers to local boards and agencies include Vulcan Airport contributions. Machine expenses capitalized for construction relates to the expenditures for internally constructed assets (i.e., roads/bridges).



## FTE STAFFING

The following is a summary of the budgeted full-time equivalent (FTE):

Transportation Services Full-Time Equivalents (FTE)				
	2024 Budget	2023 Budget	2023 Actual	Change in Budget
Management	1.00	1.00	1.00	-
Operations (Public Works)	41.93	40.22	37.70	1.71
	42.93	41.22	38.70	1.71



Management includes the Director of Operations. Staffing includes positions within Operation/Public Works, including the Manager of Engineering & Infrastructure and other operational staff (see the organization charts for more information). The increase of 1.71 FTE includes the addition of an Automotive Mechanic and an apprentice heavy duty mechanic position (partial FTE) to support with capacity constraints and other staffing updates.

The following is a summary of all departments, including revenues and expenses, that are included within the Transportation Services segment:

### Transportation Services - Segment Budget 2024

	Common Services 31-01	Road Transportation 32-00	Road Construction 32-01	Road Maintenance 32-02	Road Gravelling 32-03	Bridges 32-04	Air Transport 33-01	Transportation Services Total
<b>REVENUE</b>								
Net municipal taxes	\$ -	-	-	-	-	-	-	-
Government transfers (operating)	-	-	249,405	-	-	-	-	249,405
Return on investments	-	-	-	-	-	-	-	-
Sale of goods, services and user charges	3,740	216,600	9,700	126,195	136,000	-	-	492,235
Rental income	-	-	-	-	-	-	-	-
Community aggregate levy	-	-	-	142,912	-	-	-	142,912
Penalties and costs of taxes	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
	3,740	216,600	259,105	269,107	136,000	-	-	884,552
<b>EXPENSES</b>								
Salaries, wages and benefits	\$ 1,481,901	1,568,142	862,773	597,544	613,056	208,771	-	5,332,187
Contracted and general services	172,677	204,317	397,581	266,546	137,397	16,500	-	1,195,018
Materials, goods and utilities	175,224	802,500	533,452	262,664	402,920	23,019	-	2,199,779
Transfers to local boards and agencies	-	-	-	-	-	-	8,675	8,675
Interest and bank charges	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	51,972	2,765,525	409,565	117,211	167,917	428,766	-	3,940,956
Amortization of ARO tangible capital assets	510	-	-	-	80	-	-	590
Accretion ARO expenses	2,430	-	-	-	1,269	-	-	3,699
Machine expenses capitalized for construction	(238,915)	-	(1,430,186)	-	-	(465,819)	-	(2,134,920)
Other expenses	-	-	-	-	-	-	-	-
	1,645,798	5,340,484	773,185	1,243,965	1,322,639	211,237	8,675	10,545,984
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$ (1,642,058)</b>	<b>(5,123,884)</b>	<b>(514,080)</b>	<b>(974,858)</b>	<b>(1,186,639)</b>	<b>(211,237)</b>	<b>(8,675)</b>	<b>(9,661,432)</b>





The following is a summary of the operating segment for the department level revenues and expenses within the segment (with projections for the following three years):



Vulcan County Budget Segments	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>SEGMENT - TRANSPORTATION SERVICES</b>						
<b>REVENUES:</b>						
31-01 Common Services	\$ 3,740	\$ 11,699	\$ 3,740	\$ 3,740	\$ 3,740	\$ 3,740
32-00 Road Transportation	235,645	260,382	216,600	6,000	6,000	6,000
32-01 Road Construction	258,905	257,793	259,105	259,105	259,105	259,105
32-02 Road Maintenance	264,003	739,207	269,107	269,107	269,107	269,107
32-03 Road Graveling	136,000	77,296	136,000	136,000	136,000	136,000
32-04 Bridges	-	-	-	-	-	-
33-01 Air Transport	-	117,494	-	-	-	-
	<b>898,293</b>	<b>1,463,871</b>	<b>884,552</b>	<b>673,952</b>	<b>673,952</b>	<b>673,952</b>
<b>EXPENSES:</b>						
31-01 Common Services	\$ 1,379,536	\$ 1,273,673	\$ 1,645,798	\$ 1,607,776	\$ 1,619,670	\$ 1,650,776
32-00 Road Transportation	5,261,318	5,145,543	5,340,484	5,202,524	5,219,992	5,248,172
32-01 Road Construction	722,017	925,293	773,185	610,112	598,377	621,539
32-02 Road Maintenance	1,423,935	1,463,638	1,243,965	1,203,634	1,206,675	1,217,077
32-03 Road Graveling	1,235,854	1,808,134	1,322,639	1,245,514	1,257,312	1,271,368
32-04 Bridges	237,204	549,013	211,237	195,827	189,765	193,542
33-01 Air Transport	8,000	125,494	8,675	8,675	8,675	8,675
	<b>10,267,864</b>	<b>11,290,788</b>	<b>10,545,984</b>	<b>10,074,061</b>	<b>10,100,467</b>	<b>10,211,150</b>
<b>OPERATING SURPLUS - BEFORE OTHER (EXCLUDING CAPITAL AND TRANSFERS)</b>	<b>\$ (9,369,571)</b>	<b>\$ (9,826,917)</b>	<b>\$ (9,661,432)</b>	<b>\$ (9,400,109)</b>	<b>\$ (9,426,515)</b>	<b>\$ (9,537,198)</b>

## BUDGET HIGHLIGHTS

The following are some of the 2024 budget highlights for Transportation Services:

- Approximately \$541,500 is budgeted for bridge projects in 2024 (including internal construction).
- Approximately \$1.70 million is budgeted for road projects in 2024 (including internal construction).
- Approximately \$2.22 million is budgeted for completion of the Industrial Park in 2024 (including internal construction) as part of the County's Strategic Planning (carried forward from 2023).
- Sales of Goods and Services maintained with the continuation of the one-time road use agreement for the Buffalo Plain Wind project (which funds the additional services on the road such as a temporary grader driver and dust abatement). This is likely to be completed in late 2024 and is projected to provide full cost recoveries of all costs and the actuals will likely exceed the budgeted revenue.
- Increase in Salary, Wages & Benefits with the additional 1.71 FTE of staffing which includes the addition of an Automotive Mechanic and an apprentice heavy duty mechanic position (partial FTE) to support with capacity constraints and other staffing updates. Cost increases also include staff grid movements, updates to benefit rates/coverage, and the effect of the increases with the Cost of Living Adjustments and the applicable market adjustments to the wage grids.
- Increases in Contracted Services for vehicle/equipment repairs and the implementation a tool allowance for mechanics. The increased dust abatement costs related to the road maintenance for the windmill construction project (funded by the road maintenance agreement revenues) remained in Budget 2024.
- Overall net decrease in Materials, Goods & Utilities as the prior year as there are projected decreases in tire costs (prior year had replacement of scrapper tires), reduced culvert and blade costs, and there were some budgeted savings on diesel costs. These reduction in costs were somewhat offset by an increase in gravel costs for the pit fee royalties (paying the estimated pit fee royalty on an annual basis compared to at the time of gravel crushing).



## DEPARTMENTAL OBJECTIVES, GOALS, AND PERFORMANCE MEASURES:



### **31-01 - Common Services**

Common Services are required to administer fleet maintenance and repair on all Vulcan County Equipment. In contributing to the achievement of this objective, the Director of Operations and the Common Services Department focus on routine and preventative maintenance, promoting a safe work environment and improved communications both with Staff and Management, and externally with the public.

### **32-00 - Road Transportation**

Road Transportation services are required primarily to meet the ongoing maintenance of gravel roads within Vulcan County. Activities include divisional road grading, roadside mowing and snow removal. Rail crossing maintenance and shoulder pulling also fall within the scope of this program. Safe and efficient equipment operation and general workplace safety are a top priority. To achieve this objective, Road Transportation focuses on enhanced customer service and improved communications both internally with Staff and Management, and externally with the public.

### **32-01 - Road Construction**

Road Construction services are required primarily to build or reconstruct roads within the County. Activities include road building, reconstruction, roadway drainage, fence removal and replacement, and crop damage reimbursement. Safe and efficient operation of equipment and general workplace safety are a top priority. To achieve this objective, Road Construction focuses on future road development, assistance with road maintenance, enhanced service, and improved communications with Staff and Management. A goal of this department is to provide long-term cost effective road rehabilitation.

### **32-02 - Road Maintenance**

Road Maintenance services are required primarily to maintain and repair roads within Vulcan County. Activities include repair or replacement of culverts, ditch clean-out, signage installation, dust abatement, asphalt and pothole repairs, and the closing of roads if they become impassable. Road Maintenance is also responsible for working closely with Alberta Transportation's Bridge Inspector to ensure bridges are kept in a good state of repair. Safe and efficient operation of equipment and general workplace safety are a top priority. To achieve this objective, the Road Maintenance department focuses on future road maintenance, assistance with road construction, and continued training. A goal/objective of this department is to provide long-term cost effective road maintenance.

### **32-03 - Road Gravelling**

Road Gravelling services are required primarily on newly constructed roads or the re-gravelling of existing roads. Activities include crushing, application of gravel, and the expansion of new and existing pits. The Director of Operations and the Gravelling Department focus on safe and efficient equipment operation and enhanced customer service.

### **32-04 - Bridges**

Bridge services are required to ensure the safety, maintenance and replacement of bridges and bridge culverts within Vulcan County. Activities include working with Alberta Transportation on bridge inspections, minor maintenance, and acquiring engineering and contracting services for major projects. The Director of Operations focuses on bridge inspection and productive partnerships with Alberta Transportation to acquire funding for bridge replacement. A goal for current year is the replacement of 5 bridge projects and to investigate new funding for bridge repairs/replacement.

### **33-01 - Air Transportation**

Includes the contribution to the Airport Board for the operations of the Vulcan Airport. This is jointly owned by County and Town of Vulcan (administration is provided by the Town of Vulcan).





## Segment Reporting - Agricultural Services



Agricultural Services provides advice and expertise with respect to weed and pest control, as well as soil and water conservation, and rental of specialized equipment. Working in conjunction with Alberta Agriculture, this department also provides field trials (insect counts, disease investigations, etc.). This assists with the Strategic Plan's goals of providing "Continued Support of Our Agricultural Industry".

The following is budget summary of the Agricultural Services segment:

Agricultural Services Segment Reporting	Budget 2024	Budget 2023	Change
<b>REVENUE</b>			
Net municipal taxes	\$ -	-	-
Government transfers (operating)	166,247	123,907	42,340
Return on investments	-	-	-
Sale of goods, services and user charges	220,095	234,175	(14,080)
Rental income	9,000	8,000	1,000
Community aggregate levy	-	-	-
Penalties and costs of taxes	-	-	-
Other revenues	-	-	-
<b>\$ 395,342</b>	<b>\$ 366,082</b>	<b>29,260</b>	
<b>EXPENSES</b>			
Salaries, wages and benefits	\$ 426,402	\$ 411,527	14,875
Contracted and general services	119,588	96,439	23,149
Materials, goods and utilities	215,877	207,489	8,388
Transfers to local boards and agencies	24,461	24,372	89
Interest and bank charges	-	-	-
Amortization of tangible capital assets	118,268	90,640	27,628
Amortization of ARO tangible capital assets	99	-	99
Accretion ARO expenses	694	-	694
Machine expenses capitalized for construction	-	-	-
Other expenses	-	-	-
<b>\$ 905,389</b>	<b>\$ 830,467</b>	<b>74,922</b>	
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>(510,047)</b>	<b>(464,385)</b>	<b>(45,662)</b>



### SEGMENT BUDGET OVERVIEW:

#### SEGMENT FUNDING

Agricultural Services segment revenues include government transfers (for the AG Service Board grant for the related costs of providing agricultural services).

Sales of goods/services and user charges include the surface rights/grazing lease income that the County receives on County owned lands, and sale of herbicides/pesticides. Rental income is from the rental of agricultural equipment.

#### SEGMENT EXPENSES

The expenditures are the costs required to provide the services included in this segment. These are the costs for the following:

- General Agricultural Services (62-00)
- Training, Tours & Conferences (62-02)
- Roadside Spraying & Weed Control (62-03)
- Roadside Seeding (62-04)
- Pest Control (62-05)
- County Lands (69-XX)

The transfers to local boards and agencies include Foothills Forage Association, Farm Safety Center, and other various organizations. Contracted and general services include the one-third share of the surface rights revenues being provided to the grazing lessees.



## FTE STAFFING

The following is a summary of the budgeted full-time equivalent (FTE):

Agricultural Services Full-Time Equivalents (FTE)				
	2024 Budget	2023 Budget	2023 Actual	Change in Budget
Management	1.00	1.00	1.33	-
Agricultural Services	2.50	2.50	2.18	-
	3.50	3.50	3.51	-



**No FTE changes**

Management includes the Director of Agriculture (some overlap with retirement and hiring of the Director of Agriculture in 2023). Staffing includes positions within Agricultural Services, including the Assistant Agricultural Fieldman and Seasonal Agricultural Staff (see the organization charts for more information). There is currently no proposed changes in these departments.

The following is a summary of all departments, including revenues and expenses, that are included within the Agricultural Services segment:

### Agricultural Services - Segment Budget 2024

	General Agriculture Services 62-00	Training, Tours & Conferences 62-02	Roadside Spraying & Weed Control 62-03	Roadside Seeding 62-04	Pest Control 62-05	County Agriculture Lands 69-01	Industrial Park Lands 69-02	Agricultural Services Total
<b>REVENUE</b>								
Net municipal taxes	\$ -	-	-	-	-	-	-	-
Government transfers (operating)	166,247	-	-	-	-	-	-	166,247
Return on investments	-	-	-	-	-	-	-	-
Sale of goods, services and user charges	-	-	10,000	-	2,000	208,095	-	220,095
Rental income	9,000	-	-	-	-	-	-	9,000
Community aggregate levy	-	-	-	-	-	-	-	-
Penalties and costs of taxes	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
	175,247	-	10,000	-	2,000	208,095	-	395,342
<b>EXPENSES</b>								
Salaries, wages and benefits	\$ 165,191	25,705	121,869	49,576	3,677	40,596	19,789	426,402
Contracted and general services	45,699	41,795	17,259	7,635	-	7,200	-	119,588
Materials, goods and utilities	58,047	-	122,921	29,909	2,000	3,000	-	215,877
Transfers to local boards and agencies	24,461	-	-	-	-	-	-	24,461
Interest and bank charges	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	106,701	-	11,567	-	-	-	-	118,268
Amortization of ARO tangible capital assets	99	-	-	-	-	-	-	99
Accretion ARO expenses	694	-	-	-	-	-	-	694
Machine expenses capitalized for construction	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
	400,892	67,500	273,615	87,120	5,677	50,796	19,789	905,389
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$ (225,645)</b>	<b>(67,500)</b>	<b>(263,615)</b>	<b>(87,120)</b>	<b>(3,677)</b>	<b>157,299</b>	<b>(19,789)</b>	<b>(510,047)</b>





The following is a summary of the operating segment for the department level revenues and expenses within the segment (with projections for the following three years):



Vulcan County Budget Segments	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>SEGMENT - AGRICULTURAL SERVICES</b>						
<b>REVENUES:</b>						
62-00 General Agriculture Services	\$ 131,907	\$ 215,376	\$ 175,247	\$ 174,247	\$ 174,247	\$ 174,247
62-02 Training, Tours & Conferences	-	-	-	-	-	-
62-03 Roadside Spraying & Weed Control	10,000	-	10,000	10,000	10,000	10,000
62-04 Roadside Seeding	-	1,500	-	-	-	-
62-05 Pest Control	2,000	-	2,000	2,000	2,000	2,000
62-09 Campgrounds	-	-	-	-	-	-
69-01 County Agriculture Lands	222,175	301,942	208,095	208,095	208,095	208,095
69-02 County Industrial Park	-	-	-	-	-	-
	<b>366,082</b>	<b>518,818</b>	<b>395,342</b>	<b>394,342</b>	<b>394,342</b>	<b>394,342</b>
<b>EXPENSES:</b>						
62-00 General Agriculture Services	\$ 361,318	\$ 361,367	\$ 400,892	\$ 405,254	\$ 409,284	\$ 415,130
62-02 Training, Tours & Conferences	43,070	26,360	67,500	73,103	74,587	75,013
62-03 Roadside Spraying & Weed Control	276,978	186,471	273,615	278,020	281,405	285,293
62-04 Roadside Seeding	76,275	39,688	87,120	89,715	91,067	93,389
62-05 Pest Control	18,882	17,516	5,677	5,812	5,951	6,097
62-09 Campgrounds	-	42,421	-	-	-	-
69-01 County Agriculture Lands	53,944	43,953	50,796	52,095	53,190	54,261
69-02 County Industrial Park	-	3,201	19,789	20,428	20,708	20,999
	<b>830,467</b>	<b>720,976</b>	<b>905,389</b>	<b>924,427</b>	<b>936,193</b>	<b>950,181</b>
<b>OPERATING SURPLUS - BEFORE OTHER (EXCLUDING CAPITAL AND TRANSFERS)</b>	<b>\$ (464,385)</b>	<b>\$ (202,158)</b>	<b>\$ (510,047)</b>	<b>\$ (530,085)</b>	<b>\$ (541,851)</b>	<b>\$ (555,839)</b>

## BUDGET HIGHLIGHTS

The following are some of the 2024 budget highlights for Agricultural Services:

- The Agriculture Service Board (ASB) Grant allocation increased from \$123,907 to \$166,247 as there was an increase in the funding allocation.
- There is a reduction in the sale of goods, services and user charges as there is an projected decrease in grazing lease revenues. As in the prior year, the sale of strychnine is no longer available to sell by the County due to Federal Requirements.
- Increase in Salary, Wages & Benefits relate to increased wage grids and benefit costs; whereas, these increases are partially offset by the grid level change for the Director of Agriculture (prior director that retired was at the top of their wage grid).
- Increases in Contracted and General Services as the training costs related to the Agriculture Service Board (ASB) for Council members were reallocated to this department in Budget 2024.
- Increases in Materials, Goods & Utilities mostly relate to increase to projected fuel/diesel and other supply costs (based on historical trends); whereas, these increases were partially offset by reductions in IT costs as the prior year included some specific IT upgrades to AG shop (wireless bridge and security systems).



## DEPARTMENTAL OBJECTIVES, GOALS, AND PERFORMANCE MEASURES:



### **62-00 - General Agricultural Services**

Overall management and administration services required primarily to administer the Agricultural Service Board. Activities include central office operations, and the general areas of our programming that are not funded by the Agricultural Service Board Grant that is administered by Alberta Agriculture.

### **62-02 - Training Tours & Conferences**

Overall support for training opportunities and to address agricultural issues and to help Agricultural Services perform their programming to the ratepayers as efficiently and effectively as possible. This program is grant funded by Alberta Agriculture.

### **62-03 - Roadside Spraying & Weed Control**

As required by the Weed Control Act of Alberta, the Roadside Spraying Program will ensure that Vulcan County's Agricultural Services control all weed infestations along our right-of-ways, as well as weed inspection along all private land in Vulcan County. Weed control is one of the top priorities within this department and this program is grant funded from Alberta Agriculture.

### **62-04 - Roadside Seeding**

Overall support of the roadside seeding program which includes seeding of all roadsides that have been effected by road construction as well as the seeding of private land effected by the road construction program. Ensures that Agricultural Services follows the Soil Conservation Act in Alberta.

### **62-05 - Pest Control**

Overall management and administration of pest control services to the farm and ranch community within Vulcan County, this program is in place to ensure that producers have proper control options on pest control by providing liquid strychnine to control high infestations of Richardson Ground Squirrels within Vulcan County. This product can only be administered by Agricultural Service Boards within Alberta and is controlled by the Pest Management Regulatory Agency (PMRA). Ensures that Agricultural Services follows the Pests Act. During 2021 this program was shut down by Federal Requirements and Regulations being added (strychnine not available for sale in 2022).

### **69-01 - County Agricultural Lands**

This area deals with the management of the Tax Recovery Properties that have been titled to the County. Management of the grazing leases, surface leases, pipeline agreements and stocking reports are included in this section.

### **69-02 - County Industrial Park**

This area deals with the management of the County's Industrial Park and the lands relating to the industrial park. Currently there are only specific staff wages assigned to this department for management and weed control on the related lands..



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## Segment Reporting - Planning & Development Services



Planning and Development Services facilitates development in accordance with the Land Use Bylaw as approved by County Council. This department ensures compliance of existing development applications with the Land Use Bylaw, offers recommendations to Council for amendments and assists developers with requirements of area structure plans. This assists with the Strategic Plan's goals of providing "Economic Resiliency" and "Continued Collaboration with Regional Partners".

The following is budget summary of the Planning and Development Services segment:

Planning and Development Services Segment Reporting	Budget 2024	Budget 2023	Change
<b>REVENUE</b>			
Net municipal taxes	\$ -	\$ -	-
Government transfers (operating)	-	-	-
Return on investments	-	-	-
Sale of goods, services and user charges	90,540	89,965	575
Rental income	-	-	-
Community aggregate levy	-	-	-
Penalties and costs of taxes	-	-	-
Other revenues	-	-	-
	<b>\$ 90,540</b>	<b>\$ 89,965</b>	<b>575</b>
<b>EXPENSES</b>			
Salaries, wages and benefits	\$ 544,659	\$ 410,856	133,802
Contracted and general services	278,988	211,915	67,073
Materials, goods and utilities	2,300	2,975	(675)
Transfers to local boards and agencies	-	-	-
Interest and bank charges	-	-	-
Amortization of tangible capital assets	-	-	-
Amortization of ARO tangible capital assets	-	-	-
Accretion ARO expenses	-	-	-
Machine expenses capitalized for construction	-	-	-
Other expenses	-	-	-
	<b>\$ 825,947</b>	<b>\$ 625,746</b>	<b>200,200</b>
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>(735,407)</b>	<b>(535,781)</b>	<b>(199,625)</b>



### SEGMENT BUDGET OVERVIEW:

#### SEGMENT FUNDING

The Planning and Development Services segment revenues include the sales of goods & services and user charges revenue comes from development and subdivision fees, permits, road closure fees, and safety codes/compliance fees.

Occasionally, this segment will also have revenues of Government Transfers, which are specific project funded grants (i.e., Intermunicipal Development Plans and Intermunicipal Collaborative Frameworks). Note that these are not being done at this time.

#### SEGMENT EXPENSES

The expenditures are the costs required to provide the services included in this segment. These are the costs for the following:

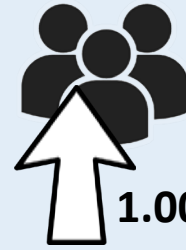
- Planning, Zoning & Development (61-01)
- Subdivision & Land Development (66-01)

Contracted services includes the membership to the Oldman River Regional Services Commission (ORRSC), which provides assistance in planning & development, subdivisions, and assistance in developing the County's municipal & inter-municipal development plans (if required).



## FTE STAFFING

The following is a summary of the budgeted full-time equivalent (FTE):



**1.00 FTE**

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### Planning and Development Services

#### Full-Time Equivalents (FTE)

	2024 Budget	2023 Budget	2023 Actual	Change in Budget
Management	-	-	-	-
Development Services	4.00	3.00	3.21	1.00
	4.00	3.00	3.21	1.00

Staffing includes positions within Development Services, including the Manager of Development Services, Development Officer, and administrative support (see the organization charts for more information). The increase of 1.00 FTE relates to the addition of a temporary development officer position to support with the Strategic Priorities and goals within the planning and development department (projected to be available for 2024/2025).

The following is a summary of all departments, including revenues and expenses, that are included within the Planning and Development segment:

Planning and Development Services - Segment Budget 2024	Planning, Zoning & Development 61-01	Subdivision & Land Development 66-01	Planning and Development Services Total
<b>REVENUE</b>			
Net municipal taxes	\$ -	-	-
Government transfers (operating)	-	-	-
Return on investments	-	-	-
Sale of goods, services and user charges	88,740	1,800	90,540
Rental income	-	-	-
Community aggregate levy	-	-	-
Penalties and costs of taxes	-	-	-
Other revenues	-	-	-
	88,740	1,800	90,540
<b>EXPENSES</b>			
Salaries, wages and benefits	\$ 481,505	63,154	544,659
Contracted and general services	182,933	96,055	278,988
Materials, goods and utilities	2,300	-	2,300
Transfers to local boards and agencies	-	-	-
Interest and bank charges	-	-	-
Amortization of tangible capital assets	-	-	-
Amortization of ARO tangible capital assets	-	-	-
Accretion ARO expenses	-	-	-
Machine expenses capitalized for construction	-	-	-
Other expenses	-	-	-
	666,738	159,209	825,947
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ (577,998)	(157,409)	(735,407)

The following is a summary of the operating segment for the department level revenues and expenses within the segment (with projections for the following three years):

Vulcan County Budget Segments	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>SEGMENT - PLANNING AND DEVELOPMENT SERVICES</b>						
<b>REVENUES:</b>						
61-01 Planning, Zoning & Development	\$ 89,365	\$ 336,172	\$ 88,740	\$ 88,740	\$ 88,740	\$ 88,740
66-01 Subdivision & Land Development	600	-	1,800	1,800	1,800	1,800
	89,965	336,172	90,540	90,540	90,540	90,540
<b>EXPENSES:</b>						
61-01 Planning, Zoning & Development	\$ 483,110	\$ 564,210	\$ 666,738	\$ 595,410	\$ 506,470	\$ 512,841
66-01 Subdivision & Land Development	142,637	127,727	159,209	160,040	151,601	153,786
	625,746	691,937	825,947	755,450	658,071	666,627
<b>OPERATING SURPLUS - BEFORE OTHER (EXCLUDING CAPITAL AND TRANSFERS)</b>	\$ (535,781)	\$ (355,764)	\$ (735,407)	\$ (664,910)	\$ (567,531)	\$ (576,087)



## BUDGET HIGHLIGHTS



The following are some of the 2024 budget highlights for Planning & Development Services:

- Increases in Salary, Wages & Benefits were mostly the result with the temporary development officer position to support with the Strategic Priorities and goals within the planning and development department (projected to be available for 2024/2025). Other increases relate to increased wage grids and benefit costs.
- Increases in Contracted Services for relate to the 2024 ORTHO mapping project (reserve funded) in combination with multiple other municipalities. These increases were partially offset by the reduction in the consulting costs for the development/updating of the Municipal Development Plan (MDP) - which is a strategic priority for the County.

## DEPARTMENTAL OBJECTIVES, GOALS, AND PERFORMANCE MEASURES:

### **61-01 - Planning, Zoning & Development**

To administer development permits and regulate land use in an efficient and responsive way, therefore mitigating land use conflicts. Land use planning to manage the development of land within the County as well as the protection of County resources. The contract for Safety Code Permit Services is also contained in this area. Every third year the ORTHO-photo project is conducted.

### **66-01 - Subdivision & Land Development**

To regulate land use in an efficient and responsive way, thereby providing quality service and the mitigation of land use conflicts. Land use planning to manage the development of land within the County as well as the protection of County resources.

### **Additional Objectives, Goals, and Performance Measures:**

As part of the County's Strategic Planning, the Planning & Development department is supporting with the priority of "Economic Resiliency" including rewrite/updating the County's Municipal Development Plan (MDP) and multiple Area Structure Plans are county-wide priorities. Budget 2024 continues this process; whereas, the County started these updated in late 2023 for the rewrite/update of the Municipal Development Plan (MDP) and is continuing into 2024 for completion and proposed adoption. The Area Structure Plans for Wyndham Carseland Area & Mossleigh Area is projected to be started in 2024/2025. The last stages of the Industrial Park (reservoir, supply lines, sanitary lift station) is being completed in 2024.

Other strategic priorities relating to this department also include review of the potential marina development and continual review of the intermunicipal development plans/frameworks. The budget supports this goal by providing the funding necessary to have proper staffing in place to accomplish these objectives.



## Segment Reporting - Community Services

Vulcan County contributes to many community service organizations, such as the local Family Community Support Services, daycare and public health, tourism and economic development, recreation boards, cultural programs and library boards. This assists with the Strategic Plan's goals of improving the overall health of County residents and maintaining doctor retention and recruitment.

The following is budget summary of the Community Services segment:

Community Services Segment Reporting	Budget 2024	Budget 2023	Change
<b>REVENUE</b>			
Net municipal taxes	\$ 487,925	\$ 430,633	57,292
Government transfers (operating)	236,950	236,950	-
Return on investments	-	-	-
Sale of goods, services and user charges	-	-	-
Rental income	-	-	-
Community aggregate levy	-	-	-
Penalties and costs of taxes	-	-	-
Other revenues	-	-	-
	<b>\$ 724,875</b>	<b>\$ 667,583</b>	<b>57,292</b>
<b>EXPENSES</b>			
Salaries, wages and benefits	\$ 21,636	\$ 19,343	2,293
Contracted and general services	187,970	182,214	5,756
Materials, goods and utilities	6,030	7,030	(1,000)
Transfers to local boards and agencies	744,788	724,925	19,863
Interest and bank charges	27,078	30,445	(3,367)
Amortization of tangible capital assets	-	-	-
Amortization of ARO tangible capital assets	-	-	-
Accretion ARO expenses	-	-	-
Machine expenses capitalized for construction	-	-	-
Other expenses	1,255	34	1,221
	<b>\$ 988,757</b>	<b>\$ 963,991</b>	<b>24,766</b>
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>(263,882)</b>	<b>(296,408)</b>	<b>32,526</b>



## SEGMENT BUDGET OVERVIEW:

### SEGMENT FUNDING

The Community Services segment revenues include the special tax levies relating to the Recreational Areas.

Government transfers include contributions for the Doctor Retention Program and the LGFF operating funding allocated towards the library board.

General Municipal Funds also support these Community Services; whereas, any operating deficits are funded either by specific reserves and/or through general municipal funds.

### SEGMENT EXPENSES

The expenditures are the costs required to provide the services included in this segment. These are the costs for the following:

- FCSS (51-01)
- Daycare (52-01)
- Other Public Health (52-03)
- Tourism & Economic Development (63-01)
- Recreation Boards (71-01)
- Libraries (74-01)
- Cultural Programs & Events (74-02)

Contracted and general services include the Doctor Retention Program and memberships to the Chinook Arch Regional Library System. The transfers to local boards and agencies include contributions to the Recreation Boards for recreation and cultural activities, libraries, FCSS, and Tourism.





The following are some of the recreation and cultural contributions that the County provides:

Carmangay and District Recreation Area	
Carmangay Curling Assoc. - Operating	\$10,000
<b>Total Recreational Funding</b>	<b>10,000</b>
Carmangay & District Historical Society	1,500
Carmangay Horticultural Society - trees	2,000
Carmangay Senior's Club	2,500
Carmangay Recreation - Hall Operations	10,000
Carmangay Recreation - Capital	2,000
<b>Total Cultural Funding</b>	<b>18,000</b>
Reserves - Carmangay Recreation	12,000
Reserves - Friends of Carmangay Library	10,000
<b>Total Recreational and Cultural Funding</b>	<b>\$50,000</b>

Champion and District Recreation Area	
Champion Pool - Operating	\$30,000
Champion School	2,380
Champion Skating Rink	5,000
<b>Total Recreational Funding</b>	<b>37,380</b>
Champion Community Hall - Operating	10,000
Champion Community Hall - Capital	20,000
Champion School - Band Program	1,000
Champion School - Art Program	1,000
Alston Hall	500
Champion Pioneers Club - Capital	6,500
<b>Total Cultural Funding</b>	<b>39,000</b>
<b>Total Recreation and Cultural Funding</b>	<b>\$76,380</b>

Vulcan and District Recreation Area	
Vulcan Arena - Operating	\$75,000
Vulcan Swimming - Operating	90,000
Recreation Committee - Operations	46,323
2024 Summer Games	8,200
<b>Total Recreational Funding</b>	<b>\$219,523</b>
Vulcan Regional Food Bank	2,000
<b>Total Cultural Funding</b>	<b>\$2,000</b>
Reserves - Vulcan Recreation - topup	31,079
<b>Total Recreation and Cultural Funding</b>	<b>\$252,602</b>

Milo and District Recreation Area	
Milo Recreation Committee - Operations	\$38,100
Milo & District Ag Society - Arena	5,000
Milo Community School	5,000
Milo Curling Club	5,000
<b>Total Recreational Funding</b>	<b>\$53,100</b>
Snake Valley Drop-in Center	5,000
Friends of Milo Municipal Library	2,800
Milo Hall - Operations	5,000
<b>Total Cultural Funding</b>	<b>\$12,800</b>
<b>Total Recreation and Cultural Funding</b>	<b>\$65,900</b>

Northwest Recreation Area	
Mossleigh Kids Ball Club	\$2,000
Arrowwood Lions	7,000
Arrowwood 4-H	500
Arrowwood ECS	3,100
Arrowwood Community Hall - Fitness	5,000
Recreation Board Costs	1,960
Northwest Recreation Association	10,000
<b>Total Recreational Funding</b>	<b>\$29,560</b>
Mossleigh Community Club	20,000
Arrowwood Comm. Rec. Association	15,000
Arrowwood Restoration Society	1,200
<b>Total Cultural Funding</b>	<b>\$36,200</b>
<b>Total Recreation and Cultural Funding</b>	<b>\$65,760</b>

Lomond and District Recreation Area	
Lomond Comm. Center Ag Society	\$41,500
Lomond Comm. Center Ag Society - Top up	\$41,500
<b>Total Recreational Funding</b>	<b>83,000</b>
Lomond 4-H Club	1,000
Lomond 4-H Club - Capital	5,000
Village of Lomond - Canada Fireworks	2,000
<b>Total Cultural Funding</b>	<b>8,000</b>
Reserves - Lomond Comm. Center Ag Society	25,000
<b>Total Recreation &amp; Culture</b>	<b>\$116,000</b>

#### Total Recreation funding:

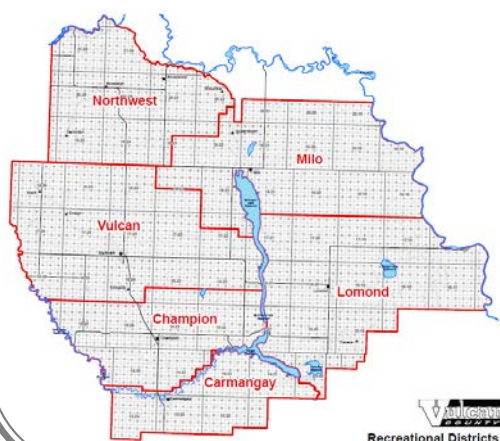
Contributions	\$432,563
Reserves	78,079
<b>Total</b>	<b>\$510,642</b>

#### Total Cultural funding:

Contributions	\$116,000
Reserves	N/A
<b>Total</b>	<b>\$116,000</b>

Total budgeted funding for recreation and cultural activities is **\$626,642** - funded by special tax levies and general municipal tax revenues.

The County receives many requests for funding from external boards & agencies which are located within the County's borders. There are currently six (6) Recreation Committees which submit requests to the County to fund their recreational and cultural activities.



These Recreation Board include members-at-large within the recreational area and also have a County Councillor included on each of these Recreational Board. The Recreation Boards review each of the area's recreational/cultural funding requests and make recommendations to Council for funding these related recreational funding requests. This process is a strategic goal to be updated in 2024 - to be applied for the 2025 budget year.

*Click the map to see the full size view*



## FTE STAFFING



The Community Services segment has no specific staffing allocated in terms of staffing full-time equivalents (FTE), even if some costing is allocated within these segment/departments. Any related oversight of the segment would be included within general government.



The following is a summary of all departments, including revenues and expenses, that are included within the Community Services segment:

### Community Services - Segment Budget 2024

	FCSS 51-01	Daycare 52-01	Other Public Health 52-03	Tourism & Economic Development 63-01	Recreation Boards 71-01	Libraries 74-01	Cultural Programs & Events 74-02	Community Services Total
<b>REVENUE</b>								
Net municipal taxes	\$ -	-	-	-	373,925	-	114,000	487,925
Government transfers (operating)	-	-	60,150	-	-	176,800	-	236,950
Return on investments	-	-	-	-	-	-	-	-
Sale of goods, services and user charges	-	-	-	-	-	-	-	-
Rental income	-	-	-	-	-	-	-	-
Community aggregate levy	-	-	-	-	-	-	-	-
Penalties and costs of taxes	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
	-	-	60,150	-	373,925	176,800	114,000	724,875
<b>EXPENSES</b>								
Salaries, wages and benefits	\$ -	-	-	21,636	-	-	-	21,636
Contracted and general services	-	-	141,460	14,710	-	31,800	-	187,970
Materials, goods and utilities	-	-	-	6,030	-	-	-	6,030
Transfers to local boards and agencies	51,225	-	-	-	432,563	145,000	116,000	744,788
Interest and bank charges	-	-	27,078	-	-	-	-	27,078
Amortization of tangible capital assets	-	-	-	-	-	-	-	-
Amortization of ARO tangible capital assets	-	-	-	-	-	-	-	-
Accretion ARO expenses	-	-	-	-	-	-	-	-
Machine expenses capitalized for construction	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	1,255	-	-	1,255
	51,225	-	168,538	42,376	433,818	176,800	116,000	988,757
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ (51,225)	-	(108,388)	(42,376)	(59,893)	-	(2,000)	(263,882)



**Vulcan Swimming Pool**  
Vulcan Alberta



The following is a summary of the operating segment for the department level revenues and expenses within the segment (with projections for the following three years):



Vulcan County Budget Segments	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>SEGMENT - COMMUNITY SERVICES</b>						
<b>REVENUES:</b>						
51-01 FCSS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
52-01 Daycare	-	-	-	-	-	-
52-03 Other Public Health	60,150	48,339	60,150	60,150	60,150	60,150
63-01 Tourism & Economic Development	-	1,500	-	-	-	-
71-01 Recreation Boards	322,433	436,862	373,925	334,945	334,945	334,945
74-01 Libraries	176,800	176,800	176,800	176,800	176,800	176,800
74-02 Cultural Programs & Events	108,200	-	114,000	88,500	88,500	88,500
	<b>667,583</b>	<b>663,501</b>	<b>724,875</b>	<b>660,395</b>	<b>660,395</b>	<b>660,395</b>
<b>EXPENSES:</b>						
51-01 FCSS	\$ 61,377	\$ 62,191	\$ 51,225	\$ 51,225	\$ 51,225	\$ 51,225
52-01 Daycare	-	-	-	-	-	-
52-03 Other Public Health	171,905	157,278	168,538	165,086	165,086	161,547
63-01 Tourism & Economic Development	35,027	19,922	42,376	25,657	26,467	27,307
71-01 Recreation Boards	410,682	411,646	433,818	358,638	358,638	358,638
74-01 Libraries	176,800	176,800	176,800	176,800	176,800	176,800
74-02 Cultural Programs & Events	108,200	108,200	116,000	90,500	90,500	90,500
	<b>963,991</b>	<b>936,038</b>	<b>988,757</b>	<b>867,906</b>	<b>868,716</b>	<b>866,017</b>
<b>OPERATING SURPLUS - BEFORE OTHER (EXCLUDING CAPITAL AND TRANSFERS)</b>	<b>\$ (296,408)</b>	<b>\$ (272,537)</b>	<b>\$ (263,882)</b>	<b>\$ (207,511)</b>	<b>\$ (208,321)</b>	<b>\$ (205,622)</b>

## BUDGET HIGHLIGHTS

The following are some of the 2024 budget highlights for the Community Services:

- The overall special tax levies for recreational activities decreased from the prior year as some of the current capital-based funding requests were able to be funded through the specific district's reserves, which reduced the amounts required to be raised by the special tax levies. Only Lomond & District resulted in an increase in the special tax rate as the Lomond Community Centre not being operated in the last couple years. Even with the increase in the Lomond and District rates, it is still one of the lower recreational rates in the County.
- Increases in Contracted Services mostly relates to the increases in Industrial Park Marketing (one-time project reserve funded).
- Total funding for recreation and culture for 2024 is \$626,642, including projected transfers to the specific recreational reserves. This is an increase from the prior year of \$586,679; however, other than the increase to the Lomond Community Centre, the remaining net increase is minimal for recreation/culture as the increase is mostly relating to the transfers to reserves (which is not included in the operating expenses).

Budget 2023 (prior year) did include a \$51,000 contribution towards Vulcan Ice Arena's re-surfacer replacement (which was not required in Budget 2024).

- Interest and bank charges relates to the long-term debenture interest; whereas, the interest portion decreased from the prior year with the reduction in the outstanding balance (with repayments). The rates are set for the duration of the term with the rates locked in at the time of taking the debenture.



## DEPARTMENTAL OBJECTIVES, GOALS, AND PERFORMANCE MEASURES:



### **51-01 - FCSS**

Vulcan County supports initiatives that contribute to the overall well-being of the County's residents. Family and Community Support Services (FCSS) is a regional initiative with the other area Municipalities and is funded 80% by the Province and 20% by the partner Municipalities. The amount shown above represents the County's 20% of the partnership share along with the County's share of the Transportation initiative for passengers.

### **52-01 - Daycare**

Vulcan County provides subsidies to the Vulcan Daycare (if available). Those subsidies are recorded in this functional area.

### **52-03 - Other Public Health**

Vulcan County supports initiatives that contribute to the well-being of County Residents by participating in and managing the regional Physician Recruitment and Retention Program. This municipal partnership is administered by Vulcan County. An objective of this department is to maintain the doctor recruitment and retention program.

### **63-01 - Tourism & Economic Development**

Vulcan County participates in and supports regional initiatives which develop and strengthen the area through Tourism and Economic Development. Support for the Tourism Society is in this area.

### **71-01 - Recreation Boards**

The County offers support to Recreation Boards to promote and encourage healthy active lifestyles for the residents within the County. The proceeds go towards the upkeep of recreational facilities as well as recreational programs offered at these facilities and by local area groups.

### **74-01 - Libraries**

Vulcan County supports all regional libraries through the Vulcan County Library Board. Vulcan County is also a member of the Chinook Arch Regional Library System (CARLS) which enhances the libraries within the County and provides greater access to library services and materials to all residents.

### **74-02 - Cultural Programs & Events**

The County offers support through the Recreation Boards to promote and encourage cultural programs, facilities and events within the county. The proceeds go towards the upkeep of cultural facilities as well as cultural programs offered at these facilities and by these community groups.



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## Segment Reporting - Utility Services

Vulcan County is a member of the Twin Valley Regional Water Commission and the Vulcan District Waste Commission. Operations for the Mossleigh Water Treatment Plant are contracted to Rocky View Utility Corp. This assists with the Strategic Plan's goals of collaboration for providing water and waste water management, supply and innovation.

The following is budget summary of the Utility Services segment:



Utility Services Segment Reporting	Budget 2024	Budget 2023	Change
<b>REVENUE</b>			
Net municipal taxes	\$ 929,584	\$ 964,776	(35,192)
Government transfers (operating)	-	-	-
Return on investments	-	-	-
Sale of goods, services and user charges	2,596	5,896	(3,300)
Rental income	-	-	-
Community aggregate levy	-	-	-
Penalties and costs of taxes	-	-	-
Other revenues	-	-	-
	<b>\$ 932,180</b>	<b>\$ 970,672</b>	<b>(38,492)</b>
<b>EXPENSES</b>			
Salaries, wages and benefits	\$ 26,141	\$ 23,050	3,092
Contracted and general services	86,822	88,492	(1,670)
Materials, goods and utilities	12,658	7,638	5,020
Transfers to local boards and agencies	1,005,809	991,030	14,779
Interest and bank charges	-	-	-
Amortization of tangible capital assets	31,670	27,014	4,656
Amortization of ARO tangible capital assets	6	-	6
Accretion ARO expenses	17	-	17
Machine expenses capitalized for construction	-	-	-
Other expenses	6,384	90	6,294
	<b>\$ 1,169,508</b>	<b>\$ 1,137,314</b>	<b>32,194</b>
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>(237,327)</b>	<b>(166,641)</b>	<b>(70,686)</b>

### SEGMENT BUDGET OVERVIEW:

#### SEGMENT FUNDING

The Utility Services segment revenues include the tax levies relating to the contribution to the Vulcan and District Waste Commission.

Sales of goods/services and user charges include the annual charges for garbage pickup in the Hamlet of Brant.

#### SEGMENT EXPENSES

The expenditures are the costs required to provide the services included in this segment. These are the costs for the following:

- Storm Sewers & Drainage (37-01)
- Water Supply & Distribution (41-01)
- Twin Valley Regional Water (41-02)
- Solid Waste Management (43-03)

Contracted and general services include the contract to operate the Mossleigh Water Treatment Plant and legal fees to potentially expropriate land for drainage (if required). The transfers to local boards and agencies include contributions to the Vulcan and District Waste Commission and to the Twin Valley Regional Water Commission.



## FTE STAFFING



The Utility Services segment has no specific staffing allocated in terms of staffing full-time equivalents (FTE), even if some costing is allocated within these segment/departments. Any related oversight of the segment would be included within general government.



The following is a summary of all departments, including revenues and expenses, that are included within the Utility Services segment:

### Utility Services - Segment Budget 2024

	Storm Sewers & Drainage 37-01	Water Supply & Distribution 41-01	Twin Valley Regional Water Commission 41-02	Solid Waste Management 43-03	Utility Services Total
<b>REVENUE</b>					
Net municipal taxes	\$ -	16,538	-	913,046	929,584
Government transfers (operating)	-	-	-	-	-
Return on investments	-	-	-	-	-
Sale of goods, services and user charges	-	-	247	2,349	2,596
Rental income	-	-	-	-	-
Community aggregate levy	-	-	-	-	-
Penalties and costs of taxes	-	-	-	-	-
Other revenues	-	-	-	-	-
	-	16,538	247	915,395	932,180
<b>EXPENSES</b>					
Salaries, wages and benefits	\$ 10,900	5,450	-	9,792	26,141
Contracted and general services	-	86,822	-	-	86,822
Materials, goods and utilities	-	12,023	635	-	12,658
Transfers to local boards and agencies	-	-	40,467	965,342	1,005,809
Interest and bank charges	-	-	-	-	-
Amortization of tangible capital assets	-	31,670	-	-	31,670
Amortization of ARO tangible capital assets	-	6	-	-	6
Accretion ARO expenses	-	17	-	-	17
Machine expenses capitalized for construction	-	-	-	-	-
Other expenses	-	-	-	6,384	6,384
	10,900	135,988	41,102	981,518	1,169,508
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ (10,900)	(119,450)	(40,855)	(66,123)	(237,327)

The following is a summary of the operating segment for the department level revenues and expenses within the segment (with projections for the following three years):

### Vulcan County Budget Segments

#### SEGMENT - UTILITY SERVICES

##### REVENUES:

	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
37-01 Storm Sewers & Drainage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41-01 Water Supply & Distribution	19,838	32,592	16,538	16,538	16,538	16,538
41-02 Twin Valley Regional Water Commission	247	-	247	247	247	247
43-03 Solid Waste Management	950,587	950,659	915,395	939,595	975,786	975,786
	970,672	983,251	932,180	956,380	992,571	992,571

##### EXPENSES:

37-01 Storm Sewers & Drainage	\$ 9,898	\$ 9,432	\$ 10,900	\$ 11,311	\$ 11,415	\$ 11,415
41-01 Water Supply & Distribution	127,458	130,551	135,988	121,807	121,860	123,397
41-02 Twin Valley Regional Water Commission	41,102	41,662	41,102	41,102	41,102	41,102
43-03 Solid Waste Management	958,856	958,865	981,518	1,005,945	1,030,740	1,030,740
	1,137,314	1,140,509	1,169,508	1,180,165	1,205,117	1,206,654

#### OPERATING SURPLUS - BEFORE OTHER (EXCLUDING CAPITAL AND TRANSFERS)

	\$ (166,641)	\$ (157,258)	\$ (237,327)	\$ (223,785)	\$ (212,546)	\$ (214,083)
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## BUDGET HIGHLIGHTS



The following are some of the 2024 budget highlights for the Utility Services:

- There was an increase in the contribution to the Vulcan and District Waste Commission to \$962,993 (previously \$948,214). Although this would typically result in an increase in both the Transfers to Local Boards and Agencies and the related tax levies, the tax rates were actually able to be decreased as the County was able to utilize specific reserves (over the next couple years) to mitigate the increases in this requisition.
- Increases in Contracted Services mostly relates to the addition of water costs for the Hamlet of Kirkcaldy.

*Phase One of the Mossleigh drainage project was effectively completed in 2020 (included within the capital budget). Phase Two of the Mossleigh Drainage Project is for the excavation of a retention pond and new drainage channel to control water runoff during spring run off and times of high precipitation; whereas, this is projected to start in late 2024 (included within the capital budget).*

## DEPARTMENTAL OBJECTIVES, GOALS, AND PERFORMANCE MEASURES:

### **37-01 - Storm Sewers & Drainage**

This function represents activities related to the provision of services for Storm Facilities and Surface Drainage. An objective of this department includes the completion of the drainage project near the Hamlet of Mossleigh.

### **41-01 - Water Supply & Distribution**

This function reflects the costs and other activities related to the well and water treatment plant in the Hamlet of Mossleigh. The Well and Water Plant are owned and operated by the County, while the water distribution system is owned and operated by the Mossleigh Water Co-op. The waterline connection to the Hamlet of Kirkcaldy is also included in this area. A priority of this department includes recouping the costs of construction of the Kirkcaldy water line, potentially reviewing the feasibility of a northern regional waterline (potentially combined with other goals of waterfront development just west of Milo), and procuring additional water licenses for the County.

### **41-02 - Twin Valley Regional Water**

Covers the Twin Valley Regional Water Commission (TVRWC). Until or unless this project expands into the rural area, Vulcan County will have minimal involvement in the overall operation of the Commission, other than ensuring that the landowners in the County who have the waterline through their properties are treated fairly. Three members of Council sit on the Commission Board. The County share of administration costs is 25% and share of operations is based on usage, which covers the water consumption of the various rural co-ops connected to the system.

### **43-03 - Solid Waste Management**

Funds are paid directly to the Vulcan District Waste Commission to administer the solid waste management in the County as well as the six urban Municipalities within the County (who also contribute). As this is a locally organized Commission, subsequently approved by the Province, it has requisitioning powers granted under legislation. There is also a small fee charged to the Hamlet of Brant residents as they receive individual garbage pick up. A priority of this department includes exploring opportunities and options with the Vulcan District Waste Commission which will allow for cost savings and stable requisitions.



# OPERATING BUDGET - TRANSFERS

## Reserves, Inventory, and Capital Transfers

The operating budget also includes the reserve and capital transfers to reconcile to the net budget effect for the fiscal year. The total operating revenues less the operating expenses is then either transferred to capital, inventory, or funded/transferred to the County's operating and capital reserves. The net effect on the "accumulated surplus" is the operating surplus or deficit for each of the fiscal years.

These include both transfers to and from reserves and transfers to capital & inventory. The reserve transfers include the application of reserves used to fund operating and capital activities and the projected budgeted funds that are to be transferred into capital or operating reserves for future use. The transfers to capital include budgeted funds used to fund capital, amortization of tangible capital assets, and the transfer of gains/losses on disposals of tangible capital assets. The transfers to inventory include the projected changes to inventory such as periodic gravel crushing to increase the gravel inventory.

The following was the resulting transfers (with projections for the following three years):

Vulcan County Budget Comparison and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027
<b>TOTAL BUDGETED REVENUES</b>	\$ 19,078,869	\$ 23,982,120	\$ 20,464,818	\$ 20,510,434	\$ 21,707,871	\$ 21,707,871
<b>TOTAL BUDGETED EXPENSES</b>	(19,414,393)	(20,785,908)	(21,048,567)	(20,157,714)	(20,154,141)	(20,330,766)
<b>ANNUAL SURPLUS</b>	(335,524)	3,196,212	(583,750)	352,720	1,553,730	1,377,106
<b>RESERVE AND CAPITAL TRANSFERS:</b>						
Transfer of Amortization	4,818,615	4,877,770	4,877,771	4,877,771	4,877,771	4,877,771
Transfer of ARO Accretion	0	2,472	20,046	20,834	21,654	21,654
Transfer of Gain/Loss on disposal	0	8,163	0	0	0	0
Transfer from Reserves	1,000,595	1,001,595	1,527,204	1,208,440	1,763,742	1,763,828
Transfer to Reserves	(4,178,067)	(8,421,060)	(3,694,351)	(4,282,146)	(5,245,725)	(5,069,186)
Transfer to Capital Functions	(1,305,619)	(662,432)	(2,146,920)	(2,177,619)	(2,221,172)	(2,221,172)
Transfer to Other Functions & Inventory	0	0	0	0	(750,000)	(750,000)
Transfer of Principal Repayment	0	0	0	0	0	0
<b>TOTAL RESERVE AND CAPITAL TRANSFERS</b>	335,524	(3,193,492)	583,750	(352,720)	(1,553,730)	(1,377,106)
<b>TOTAL NET EFFECT ON ACCUMULATED SURPLUS</b>	\$ -	\$ 2,720	\$ -	\$ -	\$ -	\$ -

As shown above, the County is able to maintain a balanced budget in 2024 and future projected years; however, this will be tied to future assessment and tax information is available. In the next couple years, there may be future growth in assessment upcoming windmill project (Buffalo Plains Wind Project) is also being constructed (deemed assessable when project is "plugged-in" to the energy grid and commissioned). Should the County's assessment increase, it may reduce the deficit/increase the surplus or it can potentially lead to decreases in municipal tax rates (i.e., increase in assessment and decrease in rate can lead to similar total tax revenues). However, if there is no assessment increases (or decreases), the County will either have to try to further reduce the operating costs, try to find increases in operating revenues, use reserves, and/or increase tax rates to eliminate the operating deficit. As this information is not known at this time, the increased surplus is shown until the County can determine the appropriate course of action.

There is a projected change in inventory in 2026/2027 with the upcoming gravel crushing program; whereas, this program is reserve funded and will increase the crushed gravel inventory for the gravelling program and internal construction projects.





## Reserve Transfers

The reserve transfers include the application of reserves used to fund operating and capital activities and the projected budgeted funds that are to be transferred into capital or operating reserves for future use.

### **TRANSFERS FROM RESERVES**

The transfers from reserves is the amount of funding used from operating reserves that have been set up in prior years. This can include the reserves that have been built up specifically for operating expenditures or that have been built from prior surpluses.

The 2024 transfer from reserves is increased from \$1.00 million to \$1.53 million. This is mainly due to the increase use of operating reserves as part of departmental reserves analysis (multi-year use of reserves) and for one-time purchases/projects including equipment replacements for Vulcan Rural Fire and repairs to Tri-Service Building. Budget 2024 also includes use of reserves for Waste Commission and Marquis Foundation (on 2023 supplementary surplus for these requisitions - used over 5 year period).

### **TRANSFERS TO RESERVES**

The transfers to reserves are the amount of funds that are raised in the operating budget to be used for either future operating projects or capital projects. This transfer to reserves (both capital and operating) decreased from \$4.18 million to \$3.69 million:

- Currently, the County has a 20-year capital funding program in which there is approximately \$2.5 million put into capital reserves for this program (funding both 2024 and future years' capital acquisitions). There is also an additional \$632,300 being contributed to capital reserves, including specific capital allocations included in facility rental recoveries, fire/recreation district specific reserves, and reserve recoveries. The prior year had a transfer for land sales; however, there were no sales projected for Budget 2024.
- There is also approximately \$562,100 budgeted to be allocated to operating reserves for future projects. This includes approximately \$279,200 allocated to the gravel crushing reserves each year so that the reserve will be sufficient to cover the next gravel crushing project in 2026-2027. The prior year also included some projected Supplementary Tax Revenues being allocated to a contingent reserve as a "buffer", which was not needed in Budget 2024 as the actual assessment is known.



## Inventory Transfers

The transfers to inventory include the projected changes to inventory such as periodic gravel crushing where the County hires a contractor to go into the Gravel Pits and crush gravel/rocks into specific gravel sizes for developing stock piles to be used for roads and other infrastructure requirements (gravel crushing is specifically reserve funded).

Budget 2024 does not include any transfers to inventory; whereas, the next change in inventory is projected for 2026/2027 with the upcoming gravel crushing program; whereas, this program is reserve funded and will increase the crushed gravel inventory (gravel stock piles) for the gravelling program and internal construction projects.



## Capital Transfers from Operations

The transfers to capital include budgeted funds used to fund capital, amortization of tangible capital assets, and the transfer of gains/losses on disposals of tangible capital assets.

### **TRANSFER OF AMORTIZATION**

The transfer of amortization is the offset to the amortization expense included in the operating expenses. This transfer is to apply the reduction in the net book value of the tangible capital assets (roads, buildings, equipment) to the “equity in tangible capital assets,” a separate account which helps to break down the proportion of accumulated surplus that has been allocated to capital assets.

### **TRANSFER OF ARO ACCRETION**

The transfer of Asset Retirement Obligation (ARO) Accretion is the offset to the ARO Accretion expense included in the operating expenses. This transfer is to apply the change in the ARO liability account to the “equity in tangible capital assets,” a separate account which helps to break down the proportion of accumulated surplus that has been allocated to capital assets.

### **TRANSFER OF GAIN/LOSS ON DISPOSAL**

The County does not typically budget for estimated gains/losses on disposals (these are only included in the actual figures). The 2023 actuals include the total gains on disposals (included in revenues) of \$26,523 and the total loss on disposals (included in expenses) of \$34,685; therefore, the net loss transferred to capital was \$8,163.

### **TRANSFERS TO CAPITAL FUNCTIONS**

The transfers to capital function is the offset to the capitalization of the machine expenses included in the operating expenses. This is to transfer these operating costs to the capital costs of the internally constructed projects (i.e. roads and bridges).

### **TRANSFERS OF PRINCIPAL REPAYMENTS**

The transfers of principal repayments relates to the principal portion of the long-term debt (or capital lease obligation, in this case) for the payments made throughout the year. The County is currently budgeting the total lease payments as expenditures in contracted services. The lease is with respect to a vehicle has been fully repaid.





A full-page background image showing a sunset over a body of water. The sky is filled with orange and yellow clouds, and the water reflects the colors. In the foreground, there are dark silhouettes of reeds or grass. A white rounded rectangle is overlaid on the top left, containing the section header.

# **SECTION 3 - CAPITAL BUDGET, RESERVES & DEBT**



## Section 3 - CAPITAL BUDGET, RESERVES & DEBT

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Introductory



Operating Budget



Capital & Reserves



Appendix & Glossary



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# CAPITAL BUDGET

## Capital Budget - Overview

The following is an overview of the County's capital budget. The capital budget pertains to the construction and acquisition of capital assets. The capital budget is funded by a combination of capital grants, reserve funding, operating transfers, and sale of capital assets no longer in use.

### Vulcan County Budget Overview - Capital

#### CAPITAL ACQUISITIONS:

Land	\$ -	\$ -	-
Land Improvements	-	-	-
Buildings	187,000	254,557	- 67,557
Equipment	1,732,750	2,434,400	(701,650)
Vehicles	643,188	282,500	360,688
Engineered Structures	5,113,470	5,259,422	(145,952)
	<b>\$ 7,676,408</b>	<b>\$ 8,230,879</b>	<b>(554,471)</b>

#### OTHER REVENUE:

Government transfers - capital	2,234,582	2,474,235	(239,653)
	<b>\$ 2,234,582</b>	<b>\$ 2,474,235</b>	<b>(239,653)</b>

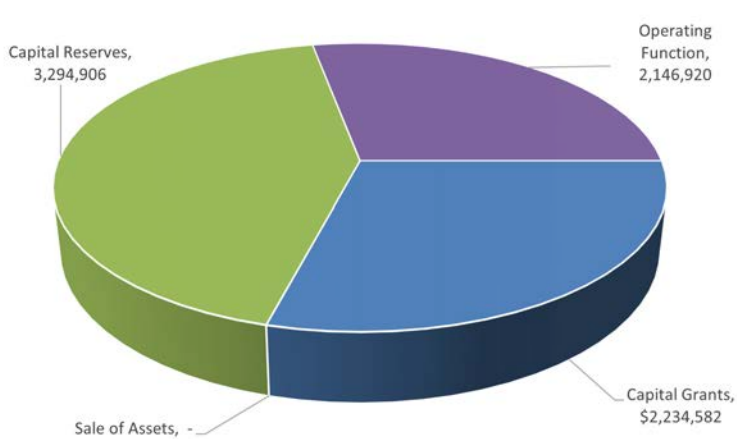
#### RESERVE AND CAPITAL TRANSFERS:

Disposal of Capital	-	500,000	(500,000)
Transfer from Reserves - Capital	3,294,906	3,951,025	(656,119)
Transfer to Reserves - Capital	-	-	-
Transfer from Operating Functions - Capital	2,146,920	1,305,619	841,301
	<b>5,441,826</b>	<b>5,756,644</b>	<b>(314,818)</b>

#### TOTAL NET EFFECT ON ACCUMLATED SURPLUS

<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
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Capital Budget - Funding



The majority of the funding for the capital budget is from capital reserves, capital grants, followed by transfers from the operating function. These reserves have been built up over time as part of the 20-year capital plan in order to fund these projects.

The LGFF/MSI Capital grant allocation is fully utilized in these capital projects. These grants have been allocated replacement of equipment/vehicle purchases and work on phase two of the Mossleigh Drainage Project. *LGFF/MSI Capital is included within "Other Revenue" within the Budgeted Statement of Operations.*



It is budgeted that approx. \$2.23 million will be funded by capital grants and \$3.29 million funded by capital reserves. There are \$2.13 million of operating machine expenses capitalized for construction (internally constructed projects) which is included in the net transfers from operating function (net between capitalized costs and relates operating funding transfers).

Some of the major capital acquisitions include the completion of the Industrial Park, road & bridge projects, phase 2 of the Mossleigh Drainage Project (carryforward from 2023), County Building Design project, purchase of 2 graders with attachments, and other vehicle/equipment replacements.



The following is a 5-year capital projections, including the Capital Budget 2024 (with prior year comparison) and projections for 2025-2028:

Vulcan County Capital Budget and Projections	Budget 2023	Actual 2023	Budget 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028
<b>CAPITAL ACQUIRED:</b>							
Land	\$ -	\$ 793,668	\$ -	\$ -	\$ -	\$ -	\$ -
Land Improvement	-	119,723	-	-	-	-	-
Buildings	254,557	453,599	187,000	12,465	78,244	8,605	6,199,899
Equipment	2,434,400	2,234,486	1,732,750	1,122,049	2,427,375	3,194,638	3,644,157
Vehicles	282,500	387,091	643,188	424,390	351,303	1,002,133	1,103,086
Engineered Structures	5,259,422	715,605	5,113,470	2,399,817	2,497,608	503,788	2,679,610
<b>TOTAL CAPITAL ACQUIRED</b>	<b>\$ 8,230,879</b>	<b>\$ 4,704,172</b>	<b>\$ 7,676,408</b>	<b>\$ 3,958,721</b>	<b>\$ 5,354,530</b>	<b>\$ 4,709,164</b>	<b>\$ 13,626,752</b>
<b>CAPITAL FUNDING:</b>							
Capital Grants	\$ 2,474,235	\$ 1,756,668	\$ 2,234,582	\$ 1,434,098	\$ 1,434,098	\$ 1,434,098	\$ 1,434,098
Sale of Assets	500,000	216,952	-	-	-	-	-
Contributed Asset	-	-	-	-	-	-	-
Transfer from Capital Reserves	3,951,025	1,306,952	3,294,906	389,703	1,785,512	1,140,146	5,557,734
Transfer to Capital Reserves	-	-	-	-	-	-	-
Transfer from Operating Function	1,305,619	1,423,600	2,146,920	2,134,920	2,134,920	2,134,920	2,134,920
Transfer to Operating Function	-	-	-	-	-	-	-
Capital financing acquired	-	-	-	-	-	-	4,500,000
<b>TOTAL CAPITAL FUNDING</b>	<b>\$ 8,230,879</b>	<b>\$ 4,704,172</b>	<b>\$ 7,676,408</b>	<b>\$ 3,958,721</b>	<b>\$ 5,354,530</b>	<b>\$ 4,709,164</b>	<b>\$ 13,626,752</b>

The County currently utilizes a 5 year written capital plan to address the future requirements of the County in upcoming years and to ensure that the County is prepared and has the funding available for these future capital projects and purchases. This ensures that these activities are planned in a fiscally responsible manner. The plan further allows for stability in capital funding requirements so as to avoid significant fluctuations from one year to the next (a goal of the Strategic Plan). The capital projections are an extract of the comprehensive 20-year capital funding plan.





# LGFF/MSI Capital Grant Funds

The following is a reconciliation of the Local Government Fiscal Framework (LGFF) & Municipal Sustainability Initiative (MSI) Capital Grant funding:

**Local Government Funding Framework (LGFF)**  
*Replacing - Municipal Sustainability Initiative (MSI)*  
**Capital Grant Reconciliation**

	2024 Budget
Carry-forward balance (MSI Capital)	800,484
2024 Grant Allocation (LGFF allocation)	1,434,098
Available LGFF & MSI Funds	2,234,582

	Budgeted cost	Grant Funded
Mossleigh Drainage Project - Phase 2 (MSI)	652,300	652,300
Bridge and Road Engineering (MSI)	106,250	106,250
Grader Purchases (LGFF)	1,293,556	1,293,556
AG Tractor Purchase (LGFF & MSI)	216,500	182,476
	2,268,606	2,234,582

Unallocated LGFF & MSI Funds	-
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The new Local Government Fiscal Framework (LGFF) replaced the previous Municipal Sustainability Initiative (MSI) Capital grant in 2024; however, any unspent MSI Funds can continue to be used on the approved MSI Capital Projects (up to 5 years). At the end of 2023, there was a total of \$800,484 remaining of MSI Capital funding remaining in deferred revenues; whereas, this funding was already approved for the phase 2 of the Mossleigh Drainage Project (carryforward from 2023), engineering costs for bridges and roads, and remaining balance can be attributed to purchasing the AG Tractor.

The Local Government Fiscal Framework (LGFF) allocation for 2024 was \$1.43 million (based on provincial allocations). The projections for 2025-2028 (and future years within the 20-year capital plan) are based on a conservative basis; whereas, most of the projections are set at the same funding allocation levels as in the 2024 budget as many of these are based on funding agreements and allocations.

As shown above, the LGFF/MSI Capital grant allocation is fully utilized in these capital projects, including both the carry-forward funding from 2023 and the 2024 Allocation.





## Land & Land Improvements

Land and Land Improvement include the acquisition of lands for the County and improvements on these County owned lands. There are no land or land improvement projects budgeted to be constructed or improved in 2024.

Land/land improvements acquisitions are typically non-recurring costs that vary significantly from year-to-year.

## Buildings

Buildings include the acquisition and construction of new buildings and additions or upgrades to existing buildings that are owned by the County. The following are the capital budgets of buildings:

### Capital Acquired - Buildings:

10-00	General Municipal	County Building Design	150,000
31-01	Common Services	Repair shop eavestrough upgrade	25,000
31-01	Common Services	Office upgrades	12,000
			<b>187,000</b>

### Capital Funding:

Capital reserves	175,000
Transfer from operating	12,000
	<u>187,000</u>

The County has been planning on building a new County facility that would be used for both administration and operations (planned for almost 10 years) - estimated for 2028 construction. The current public works/operations facility is getting close to and/or is at the end of it's useful and will require replacement in the next couple years; whereas, with this replacement the administration building would also be added to this facility (as the current building was built in 1951 with certain sections of the building were modernized in 2003). The size of the facility is planned to be increased to meet the current and projected future capacity requirements.

As part of the County Industrial Park, there has already been a 22.8 acre assigned to the location of the new facility. Through the 20-year capital plan, the County has also strategically been saving capital reserves for this new facility and is planning on taking some debenture debt to fund the remaining costs of the facility (trying to match future debenture payments with current levels of annual reserve allocations so there is little to no impact on the ratepayers). This is all part of the County's Strategic Priority of "Continued Investment into Infrastructure and Required Equipment". To start this process, the County has budgeted \$150,000 to start on the design of the new facility (including creating a Building Committee, reviewing multiple facilities in other municipalities, and reviewing costs estimates). This design phase is reserve funded. Other building projects include upgrades to the repair shop eavestroughing (safety concern) and some office upgrades to the public works/operations facility.

As the 20-year capital plan is a living document, these projects and dates are reviewed annually during the budget process and may be pushed back or moved forward as the dates draw nearer. County priorities at those times will also be taken into account. All buildings/facilities for each department is listed within the 20-year capital plan; whereas, each asset include projected year of replacement (based on useful life, replacement cycles, and condition).







## Equipment

Equipment includes the acquisition/development of new pieces of equipment including technology, office equipment, shop/light duty equipment, and heavy duty equipment (i.e. graders, dozer). The following are the capital budgets of equipment:

### Capital Acquired - Equipment:

12-02	Administration	County Phone System Replacement	18,194
12-02	Administration	Server Update and migration	23,500
23-01	General Fire Protection	Laundry For Bunker Gear	38,000
26-01	Regulatory Services	CPO Vehicle upfitting	49,500
32-00	Road Transportation	2 CAT 160M graders replaced	1,293,556
32-03	Road Graveling	Purchase Tri axle gravel trailer	83,500
62-00	Agricultural Services	Purchase Ag Services Tractor	216,500
69-02	Industrial Park	Industrial Park Sign	10,000
			<b>1,732,750</b>

### Capital Funding:

Capital reserves	256,718
Grants	1,476,032
	<u>1,732,750</u>

Equipment acquisitions are always required, but the specific items will vary significantly from year-to-year. The only significant reoccurring equipment purchases are for graders; the County typically purchases 2 graders per year.

The 2024 capital budget, includes the following:

- Administration (12-02) - Replacement IT equipment that is at end of life, including the County's Network Phone Systems (carryforward from 2023) and WorkTech/Job-costing Server upgrade. These items are funded by capital reserves.
- General Fire Protection (23-01) - The fire departments require cleaning for the bunker gear on a regular basis; whereas, currently this is being contracted out. The department has reviewed the cost/benefit and will save money by purchasing the laundry equipment for cleaning, this would also potentially also allow for an increased frequency of cleaning. The item is funded by capital reserves.
- Regulatory Services (26-01) - The Community Peace Officer (CPO) vehicle is being replaced in the year; whereas, there is also additional equipment that is added to the vehicle to make it available for use as a CPO unit. These items are funded by capital reserves (as part of the vehicle replacement as part of the capital plan).
- Road Transportation (32-00) - Typically the County funds the replacement of two graders; however, in Budget 2024, the County is replacing two (2) CAT 160M graders based on the requirements within the 20-year capital plan. These items are funded by LGFF capital grant funds in the current year.





- Road Graveling (32-03) - A tri-axle gravel trailer is scheduled to be replaced in the current year. The item is funded by capital reserves as part of the capital plan.
- Agricultural Services (62-00) - The agricultural department is replacing the AG Service Tractor which is primary use is for reclamation or rebuilt roads (seeding first, then mowing for weed control). This was at the recommendation of the Agricultural Service Board and was included within the capital plan. This is partially funded by capital grant funding and any remaining funds are covered by capital reserves.
- Industrial Park Lands (69-02) - With the development of the new Industrial Park, the County will construct signage near the highway for indicating the businesses within the Industrial Park. The item is funded by capital reserves.

As the 20-year capital plan is a living document, these projects and dates are reviewed annually during the budget process and may be pushed back or moved forward as the dates draw nearer. County priorities at those times will also be taken into account.

All major equipment for each department is listed within the 20-year capital plan; whereas, each asset include projected year of replacement (based on useful life, replacement cycles, and condition). Administration and the related department heads review the listing on periodic basis (typically as part of budget process and/or as significant changes/updates are required) to ensure accuracy, operational requirements, and current replacement costs.





## Vehicles

Vehicles acquisitions light duty trucks (i.e. pickups) and heavy duty vehicles (i.e. fire trucks, hi-way tractors). The following is the capital budget for vehicles:



### Capital Acquired - Vehicles:

23-01	General Fire Protection	Repurpose truck as response vehicle	37,920
26-01	Regulatory Services	CPO Patrol Vehicle replacement	63,000
32-03	Road Gravelling	Purchase Western Star Semi Truck	258,678
32-01	Road Construction	Purchase 1 F150 truck	71,415
32-02	Road Maintenance	Purchase 3 F350 trucks	212,175
			<b>643,188</b>

### Capital Funding:

Capital reserves	643,188
	<b>643,188</b>

Vehicle acquisitions are required every year, but do vary significantly in their type and purpose.

The 2024 capital budget, includes the following:

- General Fire Protection (23-01) - A prior public works truck that is no longer in-service for that department is being “repurposed” as a fire response vehicle for the Champion Fire Department. There are additional costs of lighting, decal & storage that is part of getting the truck ready for use within the fire department. The item is funded by capital reserves.
- Regulatory Services (26-01) - The Community Peace Officer (CPO) vehicle is being replaced in the year as part of the capital plan; whereas, this unit is being switched from a truck to a Tahoe. These items are funded by capital reserves (as part of the vehicle replacement).
- Road Gravelling (32-03) - A Semi Truck has reached the end of its useful life and is to be replaced by the acquisition of a new Western Star Semi Truck; whereas, the this is funded by capital reserves as part of the capital plan.
- Road Construction (32-01) - A 1/2 ton truck has reached the end of its useful life and is to be replaced by the acquisition of a new capital leased truck; whereas, the lease is effectively funded upfront as 99.9% of cost is funded at time of acquisition using capital reserves.
- Road Maintenance (32-02) - There are three 1 ton trucks that have reached the end of their useful lives and are to be replaced by the acquisition of a new capital leased trucks; whereas, the lease is effectively funded upfront as 99.9% of cost is funded at time of acquisition using capital reserves.







## Engineered Structures

Engineered structures include the construction/development of infrastructure including roads, bridges, water systems, drainage, and other systems. The following are the capital budgets for engineered structures:

### Capital Acquired - Engineered Structures:

32-01	Road Construction	Capitalization of road construction	1,699,670
32-04	Bridges	Bridge projects (2 projects)	541,500
37-01	Storm Sewers & Drainage	Mossleigh Drainage Improvements	652,300
69-02	Industrial Park	Industrial Park - completion	2,220,000
			<b>5,113,470</b>

### Capital Funding:

Capital reserves	2,220,000
Grants	758,550
Transfer from operating	2,134,920
	<u>5,113,470</u>

Engineered structure construction/development (specifically bridges) are typically non-recurring costs that vary significantly from year-to-year. The only significant recurring engineered structures are road construction projects; there will virtually always be roads built during the year, but bridges, water lines, drainage and other systems aren't always in progress.

The 2024 capital budget, includes the following:

- Road Construction (32-01) - These roads are internally constructed by the County's road construction crew. Therefore, the internal costs relating to these roads are capitalized (i.e. salaries, contracted services, materials, etc.). These costs are funded by the operating fund which includes Canadian Communities-Building Fund (CCBF) grant funding and general funding through taxation.
- Bridges (32-04) - The two (2) bridge projects that are within the County's ability to complete internally (so no requirements to contracted out for these projects other than the engineering designs). These bridge project costs are funded through capital grants and the use of capital reserves.
- Storm Sewers & Drainage (37-01) - Phase Two of the Mossleigh Drainage Project is for the excavation of a retention pond and new drainage channel to control water runoff during spring run off and times of high precipitation; whereas, this is carried forward from Budget 2023. This project is funded through remaining MSI Capital grants.
- Industrial Park Lands (69-02) - The County is completing the industrial park located just to the south-east of the Town of Vulcan. Budget 2024 include the completion of this project including the storm-water reservoir, supply lines, and sanitary lift station. This is a carryforward from 2023. This project is funded by capital reserves (which will be replenished with the industrial park lot sales and/or prior land sales).







## Long-term Capital Funding Plan

The County currently utilizes a 5 year written capital plan to address the future requirements of the County in upcoming years and to ensure that the County is prepared and has the funding available for these future capital projects and purchases. This ensures that these activities are planned in a fiscally responsible manner. The plan further allows for stability in capital funding requirements so as to avoid significant fluctuations from one year to the next (a goal of the Strategic Plan).

The County also utilizes a 20 year capital funding program. All the costs and estimated replacement dates for the County's capital assets are projected forward. When an asset is due to be either purchased or constructed, the total projected replacement costs (using inflation rates) is effectively "saved up" through the building of the capital reserves over this period of time. For example: a grader with an estimated replacement cost of \$550,000 is scheduled to be replaced in 5 years; therefore, a total of \$110,000 of funds are allocated to a capital reserve each year, so that when the grader is to be purchased after 5 years, the funds will be available.

This methodology is used to "level out" the annual funding requirements to avoid the highs and lows in capital requirements from year-to-year. The scheduled replacement of the capital is based on the estimated useful lives of the assets which takes into account the costs/benefits of replacing the asset vs. the costs to maintain the assets. A goal in the Strategic Plan is to have a long-term, effective road maintenance and rehabilitation program (including maintaining the equipment replacement program); therefore, the utilization of the 20-year capital funding plan aligns with the goals of the Strategic Plan.

This 20-year capital funding program already takes into account the projected non-recurring capital requirements. As such, the County already has plans (and reserves) to fund these capital items. This assists the County with its priority to keep its tax rates competitive. If the funding plan were not in place, tax rates could spike in years with higher capital requirements, leading to less competitive taxes and uncertainty for ratepayers. The capital reserve balances are closely monitored so that the County is aware of any potential issues long in advance. The capital reserves have been built up over the past few years as part of this 20 year capital funding program, which will allow the County to fund these projects without radical changes in tax rates or taking on additional debt. County Council approves the road and bridge capital programs.

The 20 year capital funding program is considered a "living" document and is updated on an annual basis to take into account changes in capital reserve levels, changes in years of replacement, and projected replacement costs. As the year of replacement gets closer to the current year, the estimations of replacement costs typically become more accurate.

*During the development of Budget 2024, this 20-year capital funding program was further refined and enhanced. This included enhancements to the facility replacements planning where the start of savings for facilities was extended from 20 to 40 years within the capital plan to fine-tune the long-term replacement requirements and to build reserves over a longer period of time (minimizes fluctuations even further through out the capital planning).*



## Long-term Capital Funding - Plan Development



Continued Investment into Infrastructure and Required Equipment is a county-wide priority and maintaining and replacing the infrastructure is a key performance measure for the County. As a County, the majority of municipal activities typically relate to road/bridge infrastructure, making up one of the largest components within the County's expenditures.

All major capital assets for each department is listed within the 20-year capital plan; whereas, each asset include projected year of replacement (based on useful life, replacement cycles, and condition). Administration and the related department heads review the listing on periodic basis (typically as part of budget process and/or as significant changes/updates are required) to ensure accuracy, operational requirements, and current replacement costs. The following are the processes for identifying the capital projects that are to be funded:

- **Bridges Projects** - There is approximately 180 separate bridge files and 44 local road culverts that the County tracks in its 20-year capital plan. These have projected replacement years ranging from the current budget year and up to 2074 based on useful life, replacement cycles, and condition. Each of the bridge projects separately tracks their structural and sufficiency rating; whereas, these ratings and in combination with ongoing review, determines the replacement priority and the projected replacement timing within the capital budget and 20-year capital plan.
- **Road Construction Projects** - The County currently maintains 2,677 kilometer (km) of roadways, including approximately 2,830 separate asset IDs tracks in its 20-year capital plan (including partial road segments). Each road ID is tracked separately by road type (i.e., gravel, oiled, paved) and with the projected replacement year (tied to useful life and replacement cycles). The County typically replaces/ constructs 10 miles (16 kilometers) of road year; therefore, there is a importance on prioritization. Ongoing review, feedback from grader drivers, and tracking road maintenance costs supports in determining the roads required for replacement.

The Bridges and Roads priorities are also provided to Council for review and a 4-year priority replacement listing is reviewed and approved by Council (on a 4-year cycle). Adjustments may be included to the priority replacement listing if required and would either be provided to Council directly or be included in the budget committee review as part of the development of the capital budget.

All major equipment/vehicles for each department is listed within the 20-year capital plan (ranges from 350-375 separate equipment/vehicles assets that are tracked); whereas, each asset include projected year of replacement (based on useful life, replacement cycles, and condition). The determination of replacements is typically tied directly to the equipment/vehicles and the specific predetermined replacement cycles (i.e., most vehicles are replaced every 10 years, graders are replaced every 5-6 years, etc.). The replacement cycles are typically determined on historical trends of the cost/benefit of replacement in relation to maintenance/repair costs.

The following pages include charts for the replacement of the capital currently included in the twenty 20 year capital funding program. Some departments have significant spikes in certain years. These years of high expenditure are timing issues from the useful lives of different types of assets dictating replacement all at once. These will be reviewed and 'smoothed out' where possible closer to those years.





## Long-term Capital Funding - 20 Year Capital Plan Summary

Vulcan County Capital Cost Projections	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Administration - Property, Plant, &amp; Equipment (PP&amp;E):</b>										
Building	-	-	-	6,182,265	-	-	-	-	-	-
Equipment - Technology	-	78,640	52,288	-	19,092	-	80,626	53,609	100,358	19,574
Truck - Light Duty	-	-	-	38,749	-	-	-	-	-	-
	-	78,640	52,288	6,221,014	19,092	-	80,626	53,609	100,358	19,574
<b>Agriculture - Property, Plant, &amp; Equipment (PP&amp;E):</b>										
Building	-	5,754	-	-	-	-	-	-	30,688	-
Equipment - Heavy Duty	-	19,214	-	-	-	74,931	-	-	-	95,551
Equipment - Light Duty	44,588	5,754	-	-	25,879	55,286	40,267	23,090	7,979	-
Truck - Heavy Duty	57,240	53,154	-	47,862	-	110,997	-	-	-	-
Truck - Light Duty	-	-	-	-	63,585	40,964	-	-	54,427	-
	101,828	83,876	-	47,862	89,464	282,178	40,267	23,090	93,094	95,551
<b>Protective Services - Property, Plant, &amp; Equipment (PP&amp;E):</b>										
Building	-	-	-	-	-	-	-	-	-	-
Equipment - Heavy Duty	-	-	-	-	15,779	-	-	-	-	-
Equipment - Light Duty	619,593	7,565	3,588	245,364	91,695	55,879	3,679	693,752	270,965	-
Equipment - Buildings	-	-	392,899	164,860	-	-	-	-	-	-
Equipment - Technology	-	54,483	-	-	-	-	55,859	-	-	-
Truck - Heavy Duty	-	-	-	419,838	-	633,894	627,546	-	707,661	-
Truck - Light Duty	58,021	64,029	83,048	354,063	17,870	44,992	-	-	301,074	-
Land Improvement	-	-	-	-	8,600	-	-	-	-	-
	677,614	126,077	479,535	1,184,125	133,944	734,765	687,084	693,752	1,279,700	-
<b>Public Works - Property, Plant, &amp; Equipment (PP&amp;E):</b>										
Building	12,465	72,490	8,605	17,634	94,551	12,149	-	34,857	-	-
Equipment - Heavy Duty	386,657	2,244,332	2,745,863	3,155,456	623,826	1,811,608	2,363,960	3,824,046	1,804,721	1,020,379
Equipment - Light Duty	71,211	17,387	-	78,477	33,323	99,818	-	112,598	-	106,594
Truck - Heavy Duty	309,129	199,251	919,085	189,428	195,073	465,268	-	-	193,042	143,827
Truck - Light Duty	-	34,869	-	53,146	42,406	195,995	-	97,800	48,331	78,339
	779,462	2,568,329	3,673,553	3,494,141	989,179	2,584,838	2,363,960	4,069,301	2,046,094	1,349,139
<b>Total Property, Plant, &amp; Equipment (PP&amp;E):</b>	<b>1,558,904</b>	<b>2,856,922</b>	<b>4,205,376</b>	<b>10,947,142</b>	<b>1,231,679</b>	<b>3,601,781</b>	<b>3,171,937</b>	<b>4,839,752</b>	<b>3,519,246</b>	<b>1,464,264</b>
<b>Public Works - Bridges:</b>										
Bridges	840,450	408,060	153,788	393,235	759,763	864,892	460,200	943,239	2,640,990	1,358,541
	<b>840,450</b>	<b>408,060</b>	<b>153,788</b>	<b>393,235</b>	<b>759,763</b>	<b>864,892</b>	<b>460,200</b>	<b>943,239</b>	<b>2,640,990</b>	<b>1,358,541</b>
<b>Public Works - Roads:</b>										
Roads	1,559,367	2,089,548	350,000	2,286,375	1,767,540	6,563,630	5,331,619	1,794,190	1,803,160	1,812,180
	<b>1,559,367</b>	<b>2,089,548</b>	<b>350,000</b>	<b>2,286,375</b>	<b>1,767,540</b>	<b>6,563,630</b>	<b>5,331,619</b>	<b>1,794,190</b>	<b>1,803,160</b>	<b>1,812,180</b>
<b>Total costs of PP&amp;E, Bridges, Roads</b>	<b>3,958,721</b>	<b>5,354,530</b>	<b>4,709,164</b>	<b>13,626,752</b>	<b>3,758,982</b>	<b>11,030,303</b>	<b>8,963,756</b>	<b>7,577,181</b>	<b>7,963,396</b>	<b>4,634,985</b>



## Vulcan County Capital Cost Projections

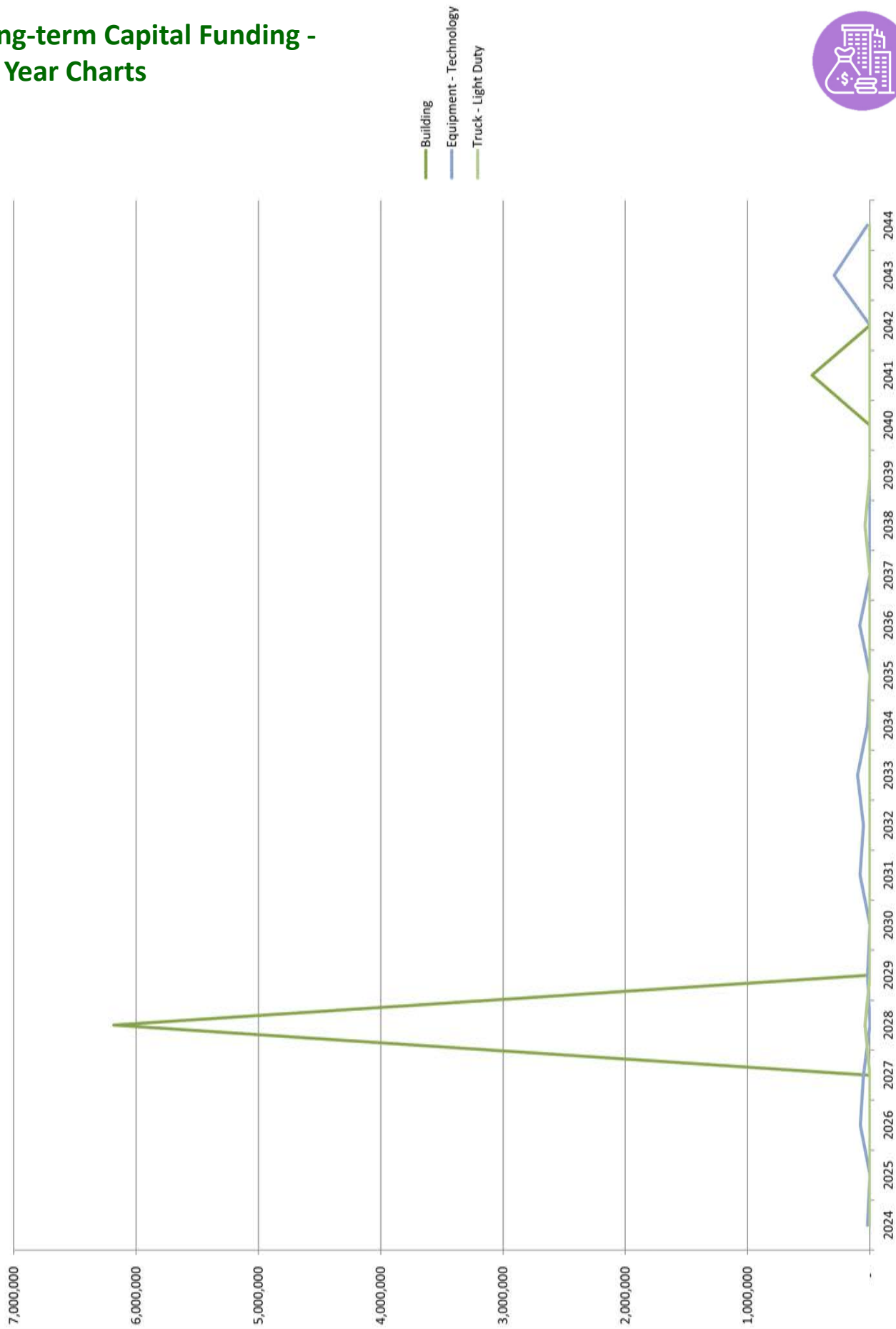
	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
<b>Administration - Property, Plant, &amp; Equipment (PP&amp;E):</b>										
Building	-	-	-	-	-	-	474,170	-	-	-
Equipment - Technology	-	82,662	-	-	-	-	-	-	291,663	22,319
Truck - Light Duty	-	-	-	40,731	-	-	-	-	-	-
	-	82,662	-	40,731	-	-	474,170	-	291,663	22,319
<b>Agriculture - Property, Plant, &amp; Equipment (PP&amp;E):</b>										
Building	-	-	-	-	13,895	-	6,201	127,063	35,354	-
Equipment - Heavy Duty	-	111,343	-	-	-	104,171	27,485	-	27,761	-
Equipment - Light Duty	46,868	67,716	-	-	21,770	57,844	31,333	23,673	8,180	27,890
Truck - Heavy Duty	60,167	55,872	-	50,310	-	116,673	-	-	-	-
Truck - Light Duty	-	-	-	-	66,087	43,059	-	-	55,802	-
	107,035	234,931	-	50,310	101,752	321,747	65,019	150,736	127,097	27,890
<b>Protective Services - Property, Plant, &amp; Equipment (PP&amp;E):</b>										
Building	-	-	-	-	-	-	36,349	-	-	21,688
Equipment - Heavy Duty	-	-	-	-	16,586	-	-	-	-	-
Equipment - Light Duty	74,689	48,254	183,206	176,032	130,019	726,276	-	484,957	354,733	-
Equipment - Buildings	-	-	844,065	173,291	329,204	-	-	-	-	-
Equipment - Technology	-	57,270	-	-	-	-	-	-	-	-
Truck - Heavy Duty	-	1,340,402	-	441,309	-	169,757	989,460	662,937	-	-
Truck - Light Duty	60,988	67,303	87,295	250,941	111,305	47,293	-	-	92,061	-
Land Improvement	324,019	-	-	-	9,040	-	-	-	-	-
	459,696	1,513,229	1,114,566	1,041,573	596,154	943,326	1,025,809	1,147,894	446,794	21,688
<b>Public Works - Property, Plant, &amp; Equipment (PP&amp;E):</b>										
Building	17,461	-	-	7,701	10,586	-	52,332	-	-	18,670
Equipment - Heavy Duty	75,330	2,443,460	2,876,291	487,860	118,472	1,894,511	66,175	1,330,753	2,968,050	550,823
Equipment - Light Duty	142,554	58,044	-	-	35,027	33,048	-	-	23,933	87,516
Truck - Heavy Duty	324,939	378,557	966,088	199,115	205,049	315,674	-	-	197,917	147,459
Truck - Light Duty	-	36,652	-	55,864	44,575	206,018	-	100,269	49,551	80,317
	560,284	2,916,713	3,842,379	750,540	413,709	2,449,251	118,507	1,431,022	3,239,451	884,785
<b>Total Property, Plant, &amp; Equipment (PP&amp;E):</b>	<b>1,127,015</b>	<b>4,747,535</b>	<b>4,956,945</b>	<b>1,883,154</b>	<b>1,111,615</b>	<b>3,714,324</b>	<b>1,683,505</b>	<b>2,729,652</b>	<b>4,105,005</b>	<b>956,682</b>
<b>Public Works - Bridges:</b>										
Bridges	2,359,140	2,461,330	882,347	794,629	1,195,830	1,663,223	1,528,093	820,186	1,899,764	1,134,618
	<b>2,359,140</b>	<b>2,461,330</b>	<b>882,347</b>	<b>794,629</b>	<b>1,195,830</b>	<b>1,663,223</b>	<b>1,528,093</b>	<b>820,186</b>	<b>1,899,764</b>	<b>1,134,618</b>
<b>Public Works - Roads:</b>										
Roads	1,821,240	2,140,574	1,655,541	1,848,690	3,715,880	1,867,230	1,688,904	1,885,940	1,137,222	1,904,850
	<b>1,821,240</b>	<b>2,140,574</b>	<b>1,655,541</b>	<b>1,848,690</b>	<b>3,715,880</b>	<b>1,867,230</b>	<b>1,688,904</b>	<b>1,885,940</b>	<b>1,137,222</b>	<b>1,904,850</b>
<b>Total costs of PP&amp;E, Bridges, Roads</b>	<b>5,307,395</b>	<b>9,349,439</b>	<b>7,494,833</b>	<b>4,526,473</b>	<b>6,023,325</b>	<b>7,244,777</b>	<b>4,900,502</b>	<b>5,435,778</b>	<b>7,141,991</b>	<b>3,996,150</b>



## Long-term Capital Funding - 20 Year Charts

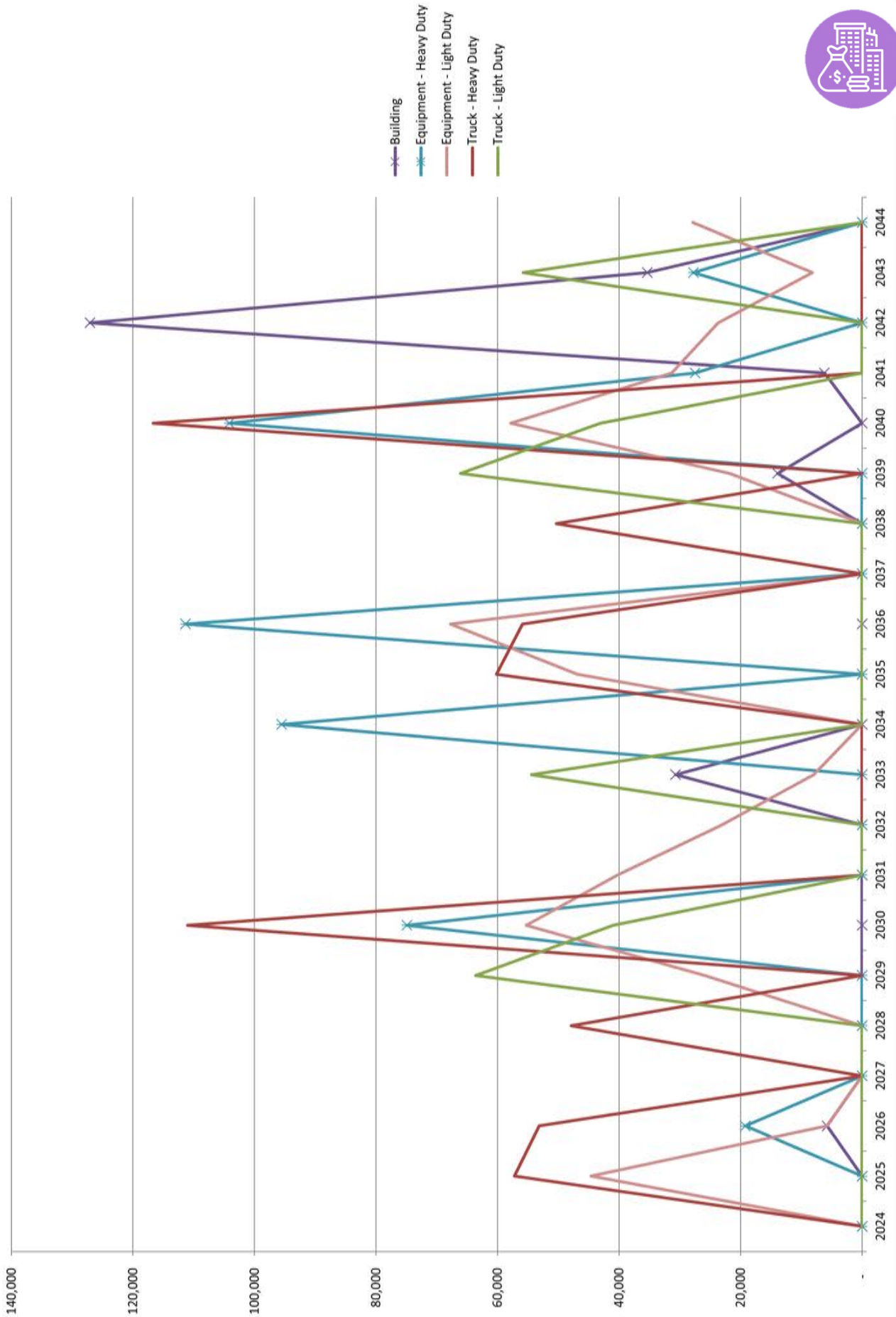


### Administration - Property, Plant, & Equipments





## Agriculture - Property, Plant, & Equipments



Introductory



Operating Budget



Capital & Reserves



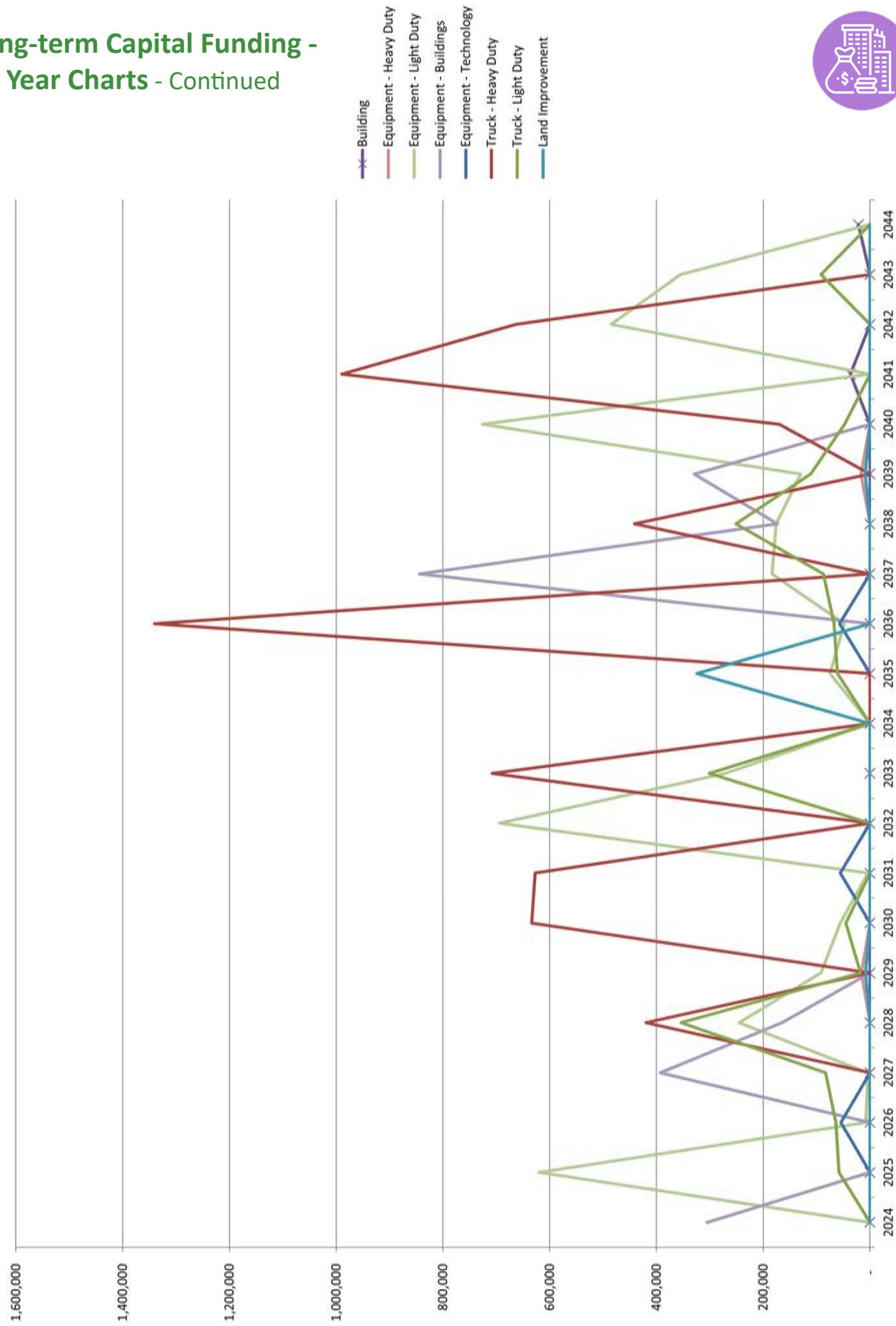
Appendix & Glossary



## Long-term Capital Funding - 20 Year Charts - Continued

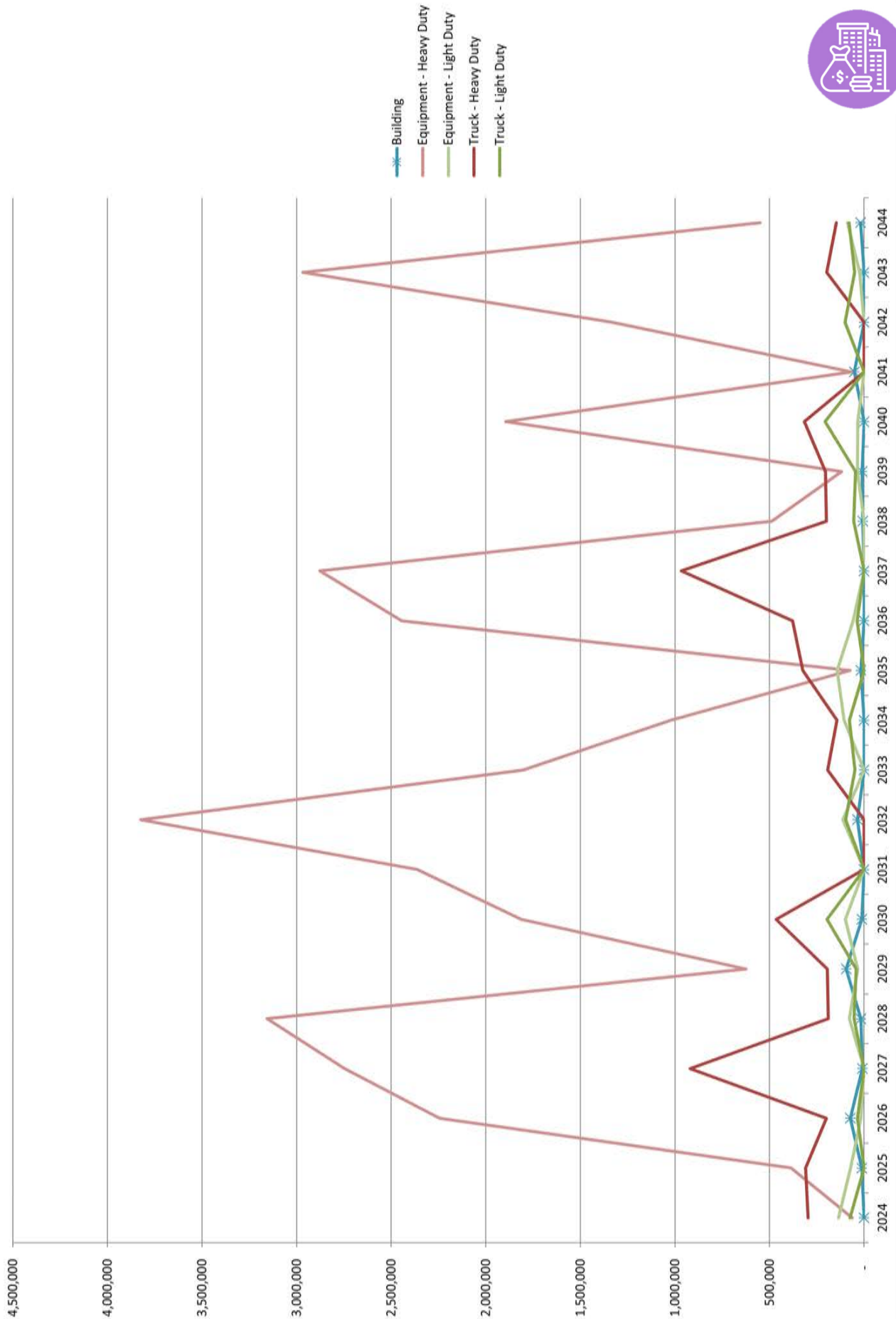


### Protective Services - Property, Plant, & Equipments





## Public Works - Property, Plant, & Equipments



Introductory



Operating Budget



Capital & Reserves



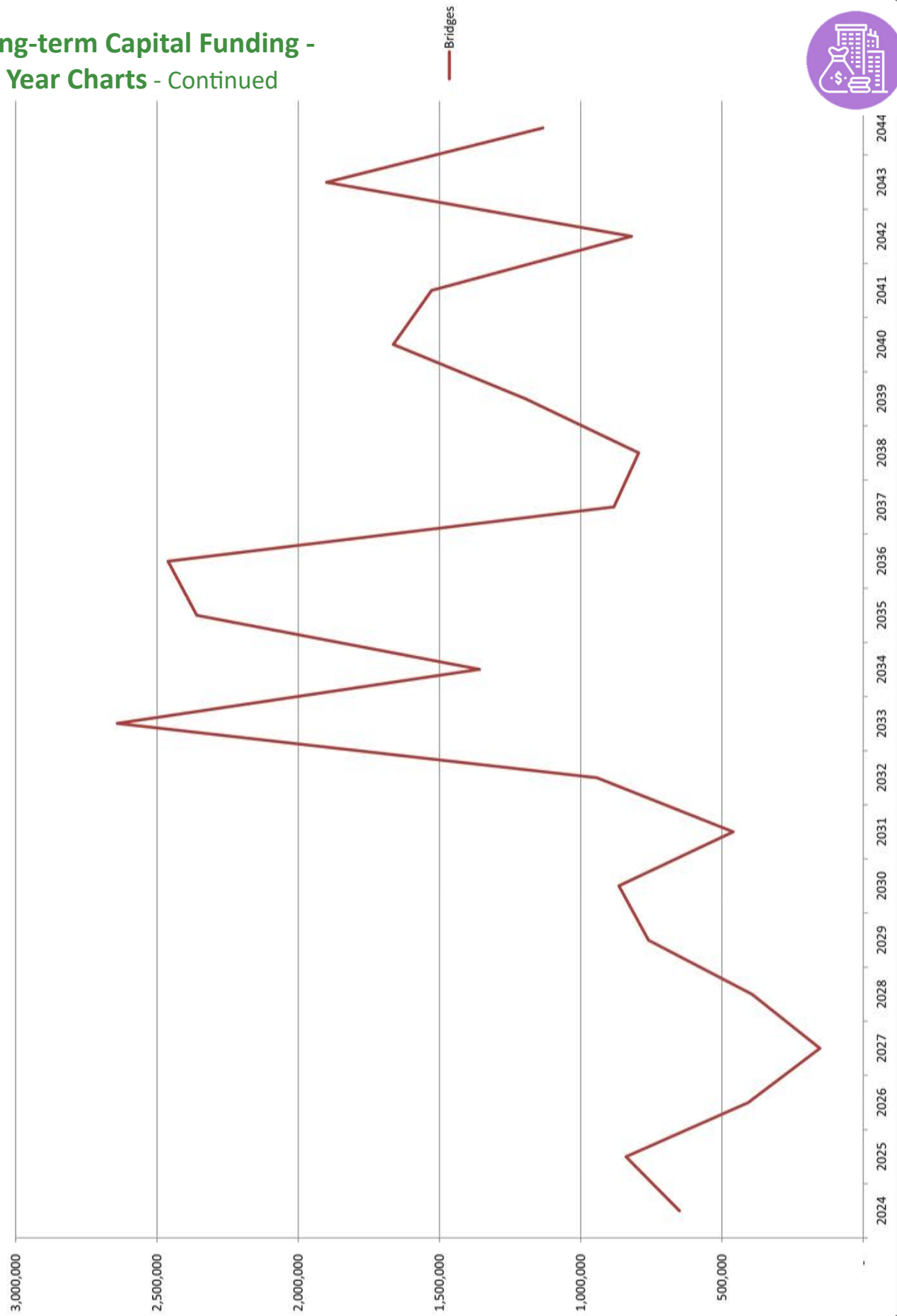
Appendix & Glossary



# Long-term Capital Funding - 20 Year Charts - Continued

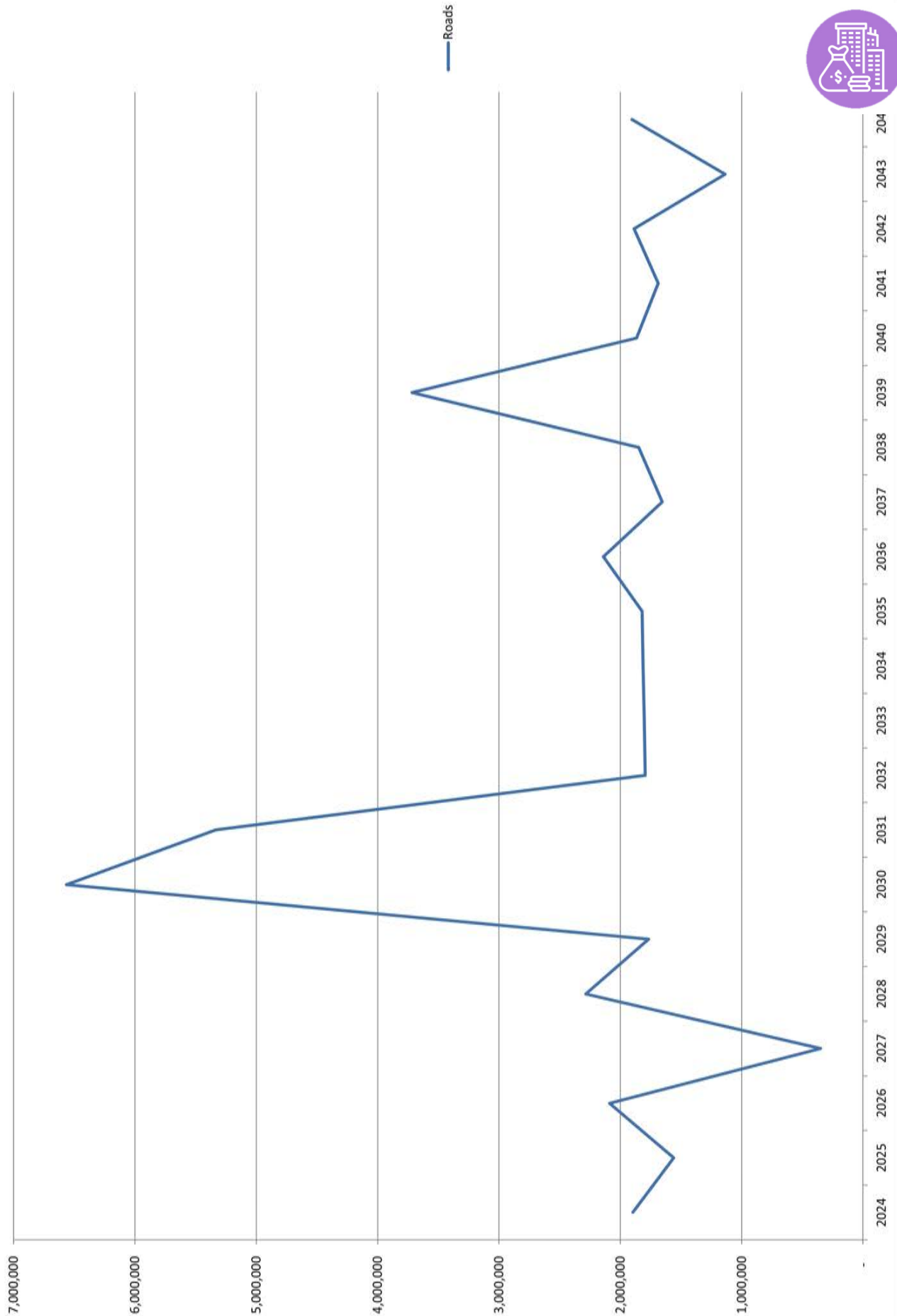


## Public Works - Bridges





## Public Works - Roads



Introductory



Operating Budget



Capital & Reserves



Appendix & Glossary





## Effects of Capital Purchases on Operations

The capital budget can have a material effect on the operating budget due to the costs of maintaining and operating new assets, as well as potential required training on proper usage of new assets. The 2024 budget includes several capital additions, but few are expected to have an effect on operating costs.

The County currently maintains 2,672 kilometer (km) of roadways. Operating costs in the road maintenance department, which include staff wages, materials, contractors and other costs required to keep roads functional, are budgeted to reach \$1.14 million, not including amortization (a non-cash expense). Therefore, road maintenance can be expected to average approximately \$428/year/km of roadway. When the County constructs new roads, this will affect operating costs. In 2024, road projects consist of road reconstruction rather than new roads, so no impact on operating costs is expected.

Bridge construction has primarily changed from concrete span bridges to large culvert installation which has had a positive impact on operations while increasing the service level to area farmers. The 2018 overland flooding event revealed that the new culvert installations were not as easily damaged by flooding events, and therefore incurred fewer maintenance and repair costs on the operational side.

In terms of equipment additions, the majority of the 2024 acquisitions are replacements of other pieces of equipment in accordance with the 20-year capital plan. Those that aren't simple replacements include the budgeting software in Administration, which are expected to incur some training costs. Those costs are fairly quantifiable and have been included in the budget where appropriate.

Vehicles are being added in 2024 which will bring additional fuel, maintenance, and insurance costs into operations. While newer vehicles tend to be more fuel efficient and reliable, the increase to these costs from a new vehicle can still be estimated and has been included in the operating budget. Some of the replaced vehicles in Protective Services and other department are being re-purposed to other fire departments; therefore, these operational costs will increase with additional vehicles within the fleet.







# RESERVES & FUND BALANCES

## Operating & Capital Reserves

The following is the projected changes in the operating and capital reserves:

### RESTRICTED SURPLUS Budget 2024

	2024 Opening	Budgeted Council Reallocation	Operating		Capital	Projected 2024 Closing
			Transfer to Reserves	Transfer from Reserves	Transfer from Reserves	
<b>Capital Restricted Surplus</b>						
General Government	125,016	-	58,436	-	(41,694)	141,758
Protective Equipment	7,905,341	-	534,567	(41,000)	(188,420)	8,210,488
Transportation Equipment	1,794,527	-	466,222	-	(25,000)	2,235,749
Road Construction	2,614,730	-	488,259	-	(625,768)	2,477,221
Bridge Construction	5,531,256	-	659,183	(156,337)	-	6,034,102
Gravel Crushing	215,355	-	-	-	-	215,355
Mossleigh Water Treatment Plant - Recovery	(421,717)	-	16,538	-	-	(405,179)
Agriculture Services	110,754	-	73,778	-	(34,024)	150,508
Air Transportation	20,000	-	-	-	-	20,000
Capital Acquisition	12,815,598	-	588,341	-	(2,370,000)	11,033,939
Capital Contingency	970,682	-	-	-	-	970,682
<b>Total Capital Restricted Surplus</b>	<b>31,681,542</b>	<b>-</b>	<b>2,885,324</b>	<b>(197,337)</b>	<b>(3,284,906)</b>	<b>31,084,623</b>
<b>Operating Restricted Surplus</b>						
Assessment Appeal	5,506	-	-	-	-	5,506
Assessment Contingency	1,660,543	-	-	-	-	1,660,543
Community Enhancement	14,841	-	-	-	-	14,841
General Government Service	423,338	-	-	(16,516)	-	406,822
Protective Services	1,493,251	-	12,662	(394,053)	-	1,111,860
Transportation Contingency	1,798,903	-	-	(209,018)	-	1,589,885
Road Construction	843,798	-	-	(112,015)	-	731,783
Road Maintenance	1,008,675	-	-	(168,017)	-	840,658
Gravel Crushing	4,320,122	-	279,240	(75,150)	-	4,524,212
Uncrushed Gravel Inventory	4,046,215	-	-	-	-	4,046,215
Bridges	117,907	-	-	-	-	117,907
Water Management	30,865	-	-	(5,701)	-	25,164
Environment Treatment	225,096	-	-	56,274	-	168,822
Vulcan Hospital Project - Debenture Recovery	(1,134,028)	-	124,346	-	-	(1,009,682)
Planning and Development	272,295	-	-	(100,229)	-	172,066
Agriculture Services	637,066	-	-	(121,934)	-	515,132
Recreation and Culture	889,670	-	122,597	(28,000)	-	984,267
Operating Contingency	3,652,022	-	270,182	(42,960)	(10,000)	3,869,244
<b>Total Operating Restricted Surplus</b>	<b>20,306,085</b>	<b>-</b>	<b>809,027</b>	<b>(1,329,867)</b>	<b>(10,000)</b>	<b>19,775,245</b>
<b>Total Restricted Surplus</b>	<b>51,987,627</b>	<b>-</b>	<b>3,694,351</b>	<b>(1,527,204)</b>	<b>(3,294,906)</b>	<b>50,859,868</b>

The changes in the reserve funds are a result of the net reserve transfers to and from the operating and capital fund accounts. There are also budgeted transfers between the reserve accounts projected to be reallocated during the year (the majority relates to use of the general capital acquisition reserve).



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## Operating Transfers to Reserves

The operating fund account provides \$3,694,351 towards the operating and capital reserves to be used for future use or specific purposes. These transfers to reserves include:

- A total of \$2,885,324 is transferred into capital reserves; including \$2.5 million to fund the 20-year capital funding program. The other transfers to capital reserves are allocations to specific reserves (i.e., fire and recreational area contribution) and other capital reserve recoveries.
- A total of \$809,027 is transferred into the operating reserves, including \$279,240 for the 2026-2027 gravel crushing program and a total of \$270,182 to the operating contingency reserve (to mitigate potential future write-offs of taxes).

## Operating Transfers from Reserves

There is \$1,527,204 of reserves used for the operating fund. These transfers from reserves include:

- A total of \$197,337 is transferred from the capital reserves and put into the operating budget to support with the internal bridge construction and repair costs. There is also some reserves used for facility repairs. Some of these costs may be transferred into the capital budget (for capital bridge replacements).
- A total of \$1,329,867 is transferred from the operating reserves and put into the operating budget to support with funding these operational programs. The County internally maintains targeted minimum and maximum levels to be held within these operating reserves; whereas, certain department-level operating reserves were noted to exceed their targeted maximum, therefore a total of \$1,054,103 was used from these reserves to bring their balances towards their specific targeted maximums (including use of 2023 surplus on requisitions to fund multi-year use of these reserves towards these programs). This is part of a multi-year utilization of excess operating reserves and the amount used will be scaled back in the later years so to avoid a significant operational funding change when the excess reserves are no longer available. Other transfers from reserves includes carry-forward funding from prior years and/or one-time funding for projects costs during Budget 2024.

## Capital Transfers from Reserves

There is \$3,294,906 of reserves used for the capital fund. These transfers from reserves include:

- A total of \$2.22 million is transferred from the capital reserves to fund the completion of the Industrial Park including the storm-water reservoir, supply lines, and sanitary lift station. This is a carryforward from 2023. The reserves will be replenished with the industrial park lot sales.
- A total of \$258,678 is transferred from the capital reserves to support with the replacement of the gravelling semi truck.
- A total of \$150,000 is transferred from the capital reserves to support with Building Design Project for the new County Building (part of strategic plan).
- The remaining use of capital reserves are for the replacement of vehicles and IT Equipment, and some one-time purchases of a survey drone and water meters.





Overall, there is a net decrease in capital reserve balances of \$596,919 planned by the end of 2024. This reduction is due to several capital acquisitions are planned for the year (a total of \$7,676,408 worth of acquisitions) in which \$3,294,906 is funded by capital reserves and the remaining is funded by sale proceeds, operations, and by grant funding. These grants lessen the burden on County reserves and allow an increase in the overall balance. The changes in capital reserve balances is in line with the 20-year capital plan.

There is also an overall decrease of \$530,840 expected in operating reserve balances which mostly relates to the reserves used for operating funding (including use of some department-level operating reserves over expected threshold maximums) and project funding; whereas, these decreases are partially offset by additional reserves added into the operating contingency (to mitigate potential future write-offs of taxes) and other reserve contributions.

## Fund Balances

The 3 major types of funds are the Operating Fund, the Capital Fund and the Reserve Fund. The following are the projected fund balances based on the 2024 budgets:

### ACCUMULATED SURPLUS (FUND BALANCES)

#### 2024 BUDGET EFFECTS

	Unrestricted Surplus (Operating Funds)	Restricted Surplus (Reserve Funds)	Equity in Tangible Capital Assets (Capital Funds)	Total Funds
2024 Opening Balance	\$ 900,534	\$ 51,987,627	\$ 107,162,173	\$ 160,050,334
Operating Income (Deficit)	(583,750)		2,234,582	1,650,832
Transfer to/from Reserves	(2,167,147)	(1,127,759)	3,294,906	-
Amortization of TCA	4,877,771		(4,877,771)	-
Proceeds on Disposals	-		-	-
ARO Accretion - ARO Liability	20,046		(20,046)	-
Transfer to/from Funds accounts	(2,146,920)		2,146,920	-
2024 Budget Effects	-	(1,127,759)	2,778,591	1,650,832
<b>Projected 2024 Closing Balance</b>	<b>900,534</b>	<b>50,859,868</b>	<b>109,940,764</b>	<b>161,701,166</b>

As shown above, there is no net effect on the Operating Funds as the County is operating on a balanced budget. The Reserve Funds have a net decrease of \$1,127,759 resulting from the net transfers to and from the operating and capital funds. There is an overall \$2,778,591 increase in the Capital Funds as the capital additions exceed the reduction of the capital through amortization.

Note: the net deficit from operations of \$583,750 (including amortization expense), plus the capital grants of \$2,234,582 results in a total increase in the accumulated surplus (total funds) of \$1,650,832 (Annual Surplus).

The 2024 budget effects are also shown in both the Budgeted Schedule of Change in Accumulated Surplus (Schedule 1) and the Budgeted Schedule of Tangible Capital Assets (Schedule 2), as presented in the approved Operating and Capital Budget. These schedules are included in the next section of this document.



## DEBT & DEBT LIMITS

### Long-term Debt

The County currently has two long-term debts: a debenture with Alberta Capital Finance Authority (ACFA), and historically had an obligation under capital lease of the Community Peace Officer's vehicle. The total debt and annual repayments are significantly less than the County's debt limits.

#### Debt/Debentures

##### 2024 Budget Effects

	ACFA	Capital Lease	Total Debt
2024 Opening Debt Balances	1,118,084	0	1,118,084
Loan Payments	(164,405)	0	(164,405)
Interest Portion	27,077	0	27,077
Principle Portion	(137,328)	0	(137,328)
<b>Projected 2024 Closing Debt</b>	<b>980,757</b>	<b>0</b>	<b>980,757</b>

	Total Debt Limit	Debt Servicing Limit
Debt Limits (per 2023 F/S)	35,973,180	5,995,530
Total Debt	1,118,084	164,405
Amount of debt limit unused	34,855,096	5,831,125
% Used	3.1%	2.7%

The County's debt limits are legislated in Alberta Regulation 255/00. Per the regulation, the total debt limit (total maximum principle debt) is calculated at 1.5 times the municipal revenues and the debt servicing limit (total maximum annual debt payments) is calculated at 0.25 times the municipal revenues. As shown above, based on the debt limits calculated in the 2023 Audited Financial Statements, the County has only used a small portion of its maximum debt and debt servicing (3.1% of total available debt and 2.7% of annual debt servicing).

The debenture received from Alberta Capital Finance Authority (ACFA) was for the purpose of funding the County's share of the Vulcan Hospital Expansion Project. In March 2016, the County borrowed a total of \$2,046,224 over 15 years at a rate of 2.498% interest. These rates are locked in for the duration of the term. The County recuperates the loan payments through the general tax rate, with the principal portion being a recovery on the reserves that were used (creating a transfer to the reserve account).

Historically, some capital leases have been used to purchase some vehicles, the last capital lease was paid off in 2021 for a CPO vehicle.

Although authorized under the Municipal Debentures Act of Alberta, the County does not issue any bonds for raising funding nor to fund capital programs; therefore, the County does not have any applicable bond ratings.







## Effects of Debt on Operations

Other than the ACFA debenture, the County has no additional long-term debt. The overall annual debenture payments is \$164,405 per year (including principal and interest) which only relates to 0.781% of the operating expenses; therefore, the actual effects of the current levels of debt are considered minimal for the County operations.

Currently, with the utilization of the 20-year capital funding program, building of specific reserves for large operating projects and the use of long-term budgeting should assist the County in mitigating the requirements to take on additional debt. There is a total of \$2.5 million contributed each year into reserves for the 20-year capital plan which is the larger impact of the operating budget (compared to the impacts of debt)

Although it may not be the intention of the County to take on additional debt in the future, having borrowing ability is an option which could prove to be beneficial, should an unexpected event or opportunity present itself in the future. Depending on market conditions, borrowing could even make financial sense should interest rates on borrowing vs. cashing in investments for purchases shift.

The following is the Alberta Capital Finance Authority (ACFA) repayment schedule:

### Debentures - Alberta Capital Finance Authority (ACFA) Repayment/Maturity Schedule

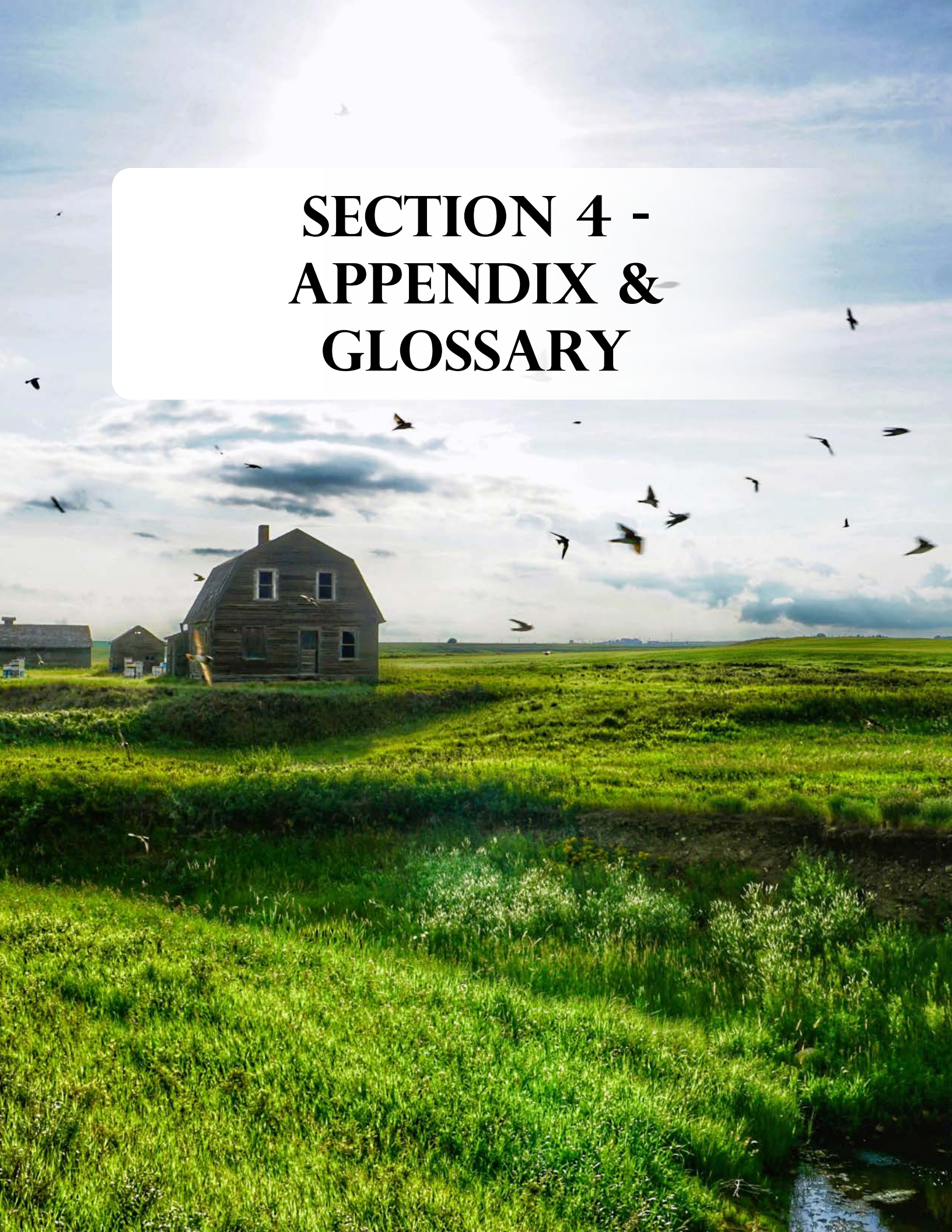
Fiscal Year	Opening	Payment	Interest	Closing
2024	1,118,084	(164,405)	27,077	980,757
2025	980,757	(164,405)	23,626	839,977
2026	839,977	(164,405)	20,087	695,659
2027	695,659	(164,405)	16,459	547,714
2028	547,714	(164,405)	12,741	396,050
2029	396,050	(164,405)	8,928	240,573
2030	240,573	(164,405)	5,020	81,188
2031	81,188	(82,202)	1,014	0

*Under the Province of Alberta's Local Authorities Capital Financing Act, the Government of Alberta provides local authorities, including municipalities, with financing for capital projects. The "Loans to Local Authorities" program, which replaced the Alberta Capital Finance Authority (ACFA), is the Provincial program that issues these debentures and uses long-term fixed-rate loans for capital purposes. These debentures/loans can have a term ranging from 3-40 years, depending on the useful life of the capital asset. The fixed interest rates are posted on a regular basis and vary depending on the term. Any borrowing/debt requires a bylaw to be passed.*

*The County may also uses other financial institutions for taking either short-term or long-term debt; however, these types of loans typically have interest rates tied to the Bank's Prime which can fluctuate from year-to-year. Due to the nature of being an Alberta Municipality, the County does not issue bonds to raise funds for capital projects and therefore does not maintain a bond rating.*



# **SECTION 4 - APPENDIX & GLOSSARY**





## Section 4 - APPENDIX & GLOSSARY

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# APPENDIX 1 - 2024 APPROVED OPERATING AND CAPITAL BUDGET



## VULCAN COUNTY

### BUDGETED STATEMENT OF OPERATIONS YEAR ENDED DECEMBER 31, 2024

	FINAL Budget 2024
<b>REVENUE</b>	
Net municipal taxes (schedule 3)	\$ 17,168,356
Government transfers (schedule 4)	1,015,543
Return on investments	726,824
Sale of goods, services and user charges	960,502
Rental income	320,680
Community aggregate levy	142,912
Penalties and costs of taxes	130,000
Other revenues	-
<b>TOTAL REVENUE</b>	<b>20,464,818</b>
<b>EXPENSES</b>	
Legislative	583,963
Administration	2,476,843
Protection services	3,328,847
Transportation services	10,545,984
Environmental use and protection	1,169,508
Family and community support	219,763
Community planning and development	825,947
Agricultural services	905,389
Tourism and economic development	42,376
Parks and recreation	726,618
Other	223,329
<b>TOTAL EXPENSES</b>	<b>21,048,567</b>
<b>OPERATING SURPLUS - BEFORE OTHER</b>	<b>(583,750)</b>
<b>OTHER</b>	
Contributed tangible capital assets	
Government transfers for capital (schedule 4)	2,234,582
<b>ANNUAL SURPLUS</b>	<b>\$ 1,650,832</b>

### Statement of Operations

The Statement of Operations highlights the revenues and expenses of the County. This statement is mainly used to evaluate County operations and capital revenues for the County. The budget report also includes a number of schedules that provide additional details on operating revenues/expenses, capital funding/acquisitions, and changes in fund balances.



## VULCAN COUNTY

### BUDGETED SCHEDULE OF CHANGE IN ACCUMULATED SURPLUS YEAR ENDED DECEMBER 31, 2024

	SCHEDULE 1			
	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	FINAL Budget 2024
<b>Annual Surplus</b>	\$ 1,650,832	-	-	\$ 1,650,832
Unrestricted funds designated for future use	(3,694,351)	3,694,351	-	-
Restricted funds used for operations	1,527,204	(1,527,204)	-	-
Restricted funds used for tangible capital assets	-	(3,294,906)	3,294,906	-
Current year funds used for tangible capital assets	(4,381,502)	-	4,381,502	-
Contributed tangible capital assets	-	-	-	-
Disposal of tangible capital assets	-	-	-	-
Annual amortization expense	4,877,771	-	(4,877,771)	-
Annual accretion ARO expense	20,046	-	(20,046)	-
Long term capital debt repaid	-	-	-	-
<b>Increase (decrease) in accumulated surplus</b>	\$ 0	(1,127,759)	2,778,591	\$ 1,650,832

### *Schedule 1 - Schedule of Changes in Accumulated Surplus*

*Provides details on the changes in the components of Accumulated Surplus, including the transfers to and from each of these components (i.e. transfers from unrestricted to a restricted reserve) and the overall changes in the Accumulated Surplus.*



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## VULCAN COUNTY

### BUDGETED SCHEDULE OF TANGIBLE CAPITAL ASSETS YEAR ENDED DECEMBER 31, 2024

	SCHEDULE 2					FINAL
	Land	Improvements	Buildings	Equipment	Vehicles	Budget 2024
<b>COST:</b>						
Acquisition of tangible capital assets	\$ -	-	187,000	1,732,750	643,188	\$ 7,676,408
New construction-in-progress	-	-	-	-	-	-
Disposition of tangible capital assets	-	-	-	-	-	-
<b>TOTAL</b>	-	-	187,000	1,732,750	643,188	7,676,408
<b>ACCUMULATED AMORTIZATION:</b>						
Annual amortization	\$ -	56,424	285,818	1,512,587	691,984	\$ 4,877,771
Accumulated amortization on disposal	-	-	-	-	-	-
<b>TOTAL</b>	-	56,424	285,818	1,512,587	691,984	4,877,771
<b>NET INCREASE (DECREASE) TO TANGIBLE CAPITAL ASSETS</b>	\$ -	(56,424)	(98,818)	220,163	(48,796)	\$ 2,798,637

### *Schedule 2 - Schedule of Tangible Capital Assets*

*Provides details on the Tangible Capital Assets (TCA) including the historical costs, acquisition/construction of TCA, and the amount of amortization accumulated on the TCA. These details are provided for each of the major types of TCA (i.e., land, land improvements, buildings, equipment, vehicles, and engineered structures).*







## VULCAN COUNTY

### BUDGETED SCHEDULE OF PROPERTY AND OTHER TAXES YEAR ENDED DECEMBER 31, 2024

#### SCHEDULE 3

#### FINAL Budget 2024

#### TAXATION

Real property taxes	\$ 7,363,349
Linear taxes	11,158,918
Commercial taxes	1,710,405
Government grants in lieu of taxes	21,661
Special levy	1,509,962
Well drilling tax	156
	<hr/>
	21,764,451

#### REQUISITIONS

School requisitions	3,588,907
Seniors foundation	560,513
RCMP policing requisition	354,204
Provincial DIP assessment requisition	92,471
	<hr/>
	4,596,095

#### NET MUNICIPAL TAXES

\$ 17,168,356

#### *Schedule 3 - Schedule of Property and Other Taxes*

*Provides the details of the Net Municipal Taxes, including the details within the taxation revenues (i.e., real property taxes, linear taxes, special tax levies, etc.) and within the funding requisitions required by the County (i.e., school requisitions, senior requisitions, etc.).*



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## VULCAN COUNTY

### BUDGETED SCHEDULE OF GOVERNMENT TRANSFERS YEAR ENDED DECEMBER 31, 2024

#### SCHEDULE 4

#### FINAL Budget 2024

#### TRANSFERS FOR OPERATING

Local government transfers	\$ 189,295
Provincial government transfers	576,844
Federal government transfers	249,405
	<u>1,015,543</u>

#### TRANSFERS FOR CAPITAL

Provincial government transfers	2,234,582
Federal government transfers	-
	<u>2,234,582</u>

**TOTAL GOVERNMENT TRANSFERS** **\$ 3,250,125**

#### *Schedule 4 - Schedule of Government Transfers*

*Provides the additional details on the government funding transfers recognized for operating and capital purposes. This includes information on the types of government support (local, provincial, and federal government).*

## VULCAN COUNTY

### BUDGETED SCHEDULE OF EXPENSES BY OBJECT YEAR ENDED DECEMBER 31, 2024

#### SCHEDULE 5

#### FINAL Budget 2024

#### EXPENSES BY OBJECT

Salaries, wages and benefits	\$ 9,312,253
Contracted and general services	3,370,418
Materials, goods and utilities	3,291,582
Transfers to local boards and agencies	2,025,374
Interest and bank charges	42,068
Amortization of tangible capital assets	4,876,656
Amortization of ARO tangible capital assets	1,115
Accretion ARO expenses	20,046
Machine expenses capitalized for construction	(2,134,920)
Other expenses	<u>243,975</u>

**\$ 21,048,567**

#### *Schedule 5 - Schedule of Expenses by Object*

*Provides details on the operating expenses by the type/object of the expenses. This reconciles to the Statement of Operations, which reports the expenses based on the department/activity. These types/objects include salaries/benefits, contracted services, materials/supplies, amortization, and other types of expenses.*



## VULCAN COUNTY

### BUDGETED SCHEDULE OF SEGMENTED DISCLOSURE YEAR ENDED DECEMBER 31, 2024

							SCHEDULE 6
							FINAL
							Budget 2024
							Total
REVENUE	General Government	Protective Services	Transportation Services	Agricultural Services	Planning and Development Services	Community Services	Utility Services
Net municipal taxes	\$ 14,745,348	1,005,499	-	-	-	487,925	929,584
Government transfers (operating)	30,940	332,001	249,405	166,247	-	236,950	-
Return on investments	726,824	-	-	-	-	-	-
Sale of goods, services and user charges	36,200	118,836	492,235	220,095	90,540	-	2,596
Rental income	4,800	306,880	-	9,000	-	-	-
Community aggregate levy	-	-	142,912	-	-	-	-
Penalties and costs of taxes	130,000	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
	15,674,112	1,763,216	884,552	395,342	90,540	724,875	932,180
							20,464,818
EXPENSES	General Government	Protective Services	Transportation Services	Agricultural Services	Planning and Development Services	Community Services	Utility Services
Salaries, wages and benefits	\$ 1,701,975	1,259,252	5,332,187	426,402	544,659	21,636	26,141
Contracted and general services	763,544	738,488	1,195,018	119,588	278,988	187,970	86,822
Materials, goods and utilities	360,304	494,634	2,199,779	215,877	2,300	6,030	12,658
Transfers to local boards and agencies	73,896	167,745	8,675	24,461	-	744,788	1,005,809
Interest and bank charges	14,990	-	-	-	-	27,078	-
Amortization of tangible capital assets	122,638	663,124	3,940,956	118,268	-	-	31,670
Amortization of ARO tangible capital assets	394	26	590	99	-	-	6
Accretion ARO expenses	15,573	63	3,699	694	-	-	17
Machine expenses capitalized for construction	-	-	(2,134,920)	-	-	-	-
Other expenses	230,821	5,515	-	-	-	1,255	6,384
	3,284,135	3,328,847	10,545,984	905,389	825,947	988,757	1,169,508
							21,048,567
OPERATING SURPLUS - BEFORE OTHER	\$ 12,389,977	(1,565,631)	(7,609,326)	(510,047)	(735,407)	(263,882)	(237,327)
OTHER							
Contributed tangible capital assets	-	-	-	-	-	-	-
Government transfers (capital)	-	-	2,052,106	182,476	-	-	-
							2,234,582
ANNUAL SURPLUS	\$ 12,389,977	(1,565,631)	(7,609,326)	(327,571)	(735,407)	(263,882)	(237,327)
							\$ 1,650,832

### Schedule 6 - Schedule of Segmented Disclosure

Provides the details of the current year's revenues and expenses for each of the County's major segments including: General Government, Protective Services, Transportation Services, Agricultural Services, Planning and Development Services, Community Services, and Utility Services.





## APPENDIX 2 - STRATEGIC PRIORITIES & KEY SUCCESS MEASURES



# Key Success Measures

## Stakeholder Satisfaction

- Reduced complaints
- Timely response times to complaints and requests for service
- Healthy relationships with neighbouring municipalities, communities, and our citizens
- Improved external communications

## Council Satisfaction

- Effective communications with CAO
- Policy development, implementation & evaluation
- Public consultation

## Employee Satisfaction

- Low levels of absenteeism
- High levels of staff retention
- Elevated performance
- Improved internal communications
- Professional growth

## Sustainability

- New and existing municipal services and infrastructure are maintainable and provide benefits for the future
- Negative impacts from external stakeholder projects are reviewed and mitigated to the best of our ability

## Process and Systems Improvements

- Approval and acceptance of innovative ideas and approaches
- Investment in innovative technologies
- Updated regulatory documents and processes

## Financial Viability

- Diversification and strengthening of the assessment base
- Reasonable taxation and fee levels
- Prudent reserve levels
- High quality and well-maintained infrastructure
- Successfully working within budget





# Strategic Priorities #1 Economic Resiliency

Vulcan County is still and will continue to be open for business. We will strive to provide an atmosphere to foster economic growth and development so long as the development will be a positive contribution to the financial and/or social wellbeing of the County. We will actively pursue opportunities to diversify our assessment base to support the services we provide to our residents. To realize this goal, Vulcan County Council has committed to:

Key Action Item	Lead Role	Initiated	Status	Key Measures
Provide County staff with the resources and training to develop programs and initiatives conducive to economic growth.	CAO & Department Heads	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Council Satisfaction</li> <li>✓ Sustainability</li> <li>✓ Employee Satisfaction</li> </ul>
Rewrite of the Vulcan County Municipal Development Plan, to ensure good planning process and consistency with other statutory documents and legislative requirements.	Development Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Rewrite the Wyndham Carseland Area Structure Plan	Development Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Rewrite the Mossleigh Area Structure Plan	Development Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Complete and promote the Vulcan County Industrial Park build and explore other opportunities for similar developments.	Engineering & Operations Development CAO	2018-2022	Ongoing with revisions	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Council Satisfaction</li> <li>✓ Financial Viability</li> </ul>
Continue to encourage businesses to register in the Vulcan County business directory. Create and maintain an online business directory.	Development Services	2018-2022 with revisions	Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> <li>✓ Financial Viability</li> </ul>
Develop online education page for development permit applications to assist applicants and free up staffing resources. Ensure proper development policies are approved and are accessible to the public (re: MGA) (i.e., Municipal Reserve & Environmental policy, Subdivision Endorsement Policy, Compliance Letter Policy, Private Sewage Disposal Policy)	Development Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Standardized requirements of what is considered a complete development application.	Development Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Continue to explore Marina Development on MacGregor Reservoir.	Engineering and Infrastructure Council	NEW Not officially in last plan.	Ongoing with revisions	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> </ul>
Procure additional water licencing through water allocation transfers to support economic growth.	CAO & Engineering	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Sustainability</li> <li>✓ Financial Viability</li> </ul>



## Strategic Priorities #2 Continued

### Collaboration with Regional Partners

Vulcan County is committed to seeking opportunities that enhance the relationships and are of mutual benefit with our rural and urban neighbors, and other area stakeholders. We recognise that we cannot action all our objectives alone. To realize these goals Vulcan County has begun undertaking the following measures:

Key Action Item	Lead Role	Initiated	Status	Key Measures
Review of Intermunicipal Development Plans and Intermunicipal Collaborative Frameworks with municipal neighbours.	CAO Development Services	2022-2026	New	✓ Stakeholder Satisfaction
Reinstitute annual meetings with the Bow River Irrigation District to review capital projects and maintenance priorities to determine if there are cost saving opportunities through partnerships.	CAO Agriculture Services	2018-2022	Initiated	✓ Stakeholder Satisfaction
Review and establish cost sharing formulas for funding that are equitable to all parties.	CAO Corporate Services	2018-2022	Ongoing with revisions	✓ Stakeholder Satisfaction ✓ Financial Viability
Institute annual meetings with the Siksika Nation to investigate opportunities for partnerships.	CAO Legislative Services	2018-2022	Initiated	✓ Stakeholder Satisfaction
Explore opportunities and options with the Vulcan District Waste Commission which will allow for cost savings and stable requisitions.	CAO Operations	2022-2026	New	✓ Stakeholder Satisfaction ✓ Sustainability ✓ Financial Viability
Build Upon community relationships and have more of a non-emergency presence at events.	Protective Services	2022-2026	New	✓ Stakeholder Satisfaction ✓ Council Satisfaction ✓ Employee Satisfaction
In collaboration with Siksika Nation, Arrowwood and Wheatland County, continue to pressure for bridge improvements on HWY's 547 & 842.	Council CAO	2018-2022	Initiated	✓ Stakeholder Satisfaction ✓ Sustainability ✓ Financial Viability
Seek joint development areas with urban neighbors.	CAO Engineering and Infrastructure Development Services	2022-2026	New	✓ Council Satisfaction ✓ Sustainability ✓ Stakeholder Satisfaction ✓ Financial Viability



## Strategic Priorities #3 Continued Investment into Infrastructure and Required Equipment

As a County, the majority of municipal activities typically relate to road and bridge infrastructure. Transportation Services represents approximately 43% of Vulcan County expenditures. Through the continued development and maintenance of municipal infrastructure, Vulcan County will be able to support agricultural, residential, and industrial growth. To achieve these goals Vulcan County will continue to:

Key Action Item	Lead Role	Initiated	Status	Key Measures
Continued refinement and review of the 5 and 20 year capital plans for equipment and infrastructure construction and replacement.	Department Heads Corporate Services	2014-2017	Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Sustainability</li> <li>✓ Financial Viability</li> </ul>
Review and approval of a 4-year road and bridge construction program that recognizes efficiencies in engineering, construction, and project tendering.	Engineering & Infrastructure Operations	2014-2017	Ongoing	<ul style="list-style-type: none"> <li>✓ Sustainability</li> <li>✓ Financial Viability</li> </ul>
Continued capital equipment replacement based on life cycle asset management that ensures a balance between maintenance costs and down time and allows for a good overall service level.	Department Heads Corporate Services	2014-2017	Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Financial Viability</li> </ul>
As capital equipment is replaced, considerations shall be given to future projects which may require larger equipment to undertake these projects. (i.e., bridge projects)	Operations	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Sustainability</li> <li>✓ Financial Viability</li> </ul>
Further investigate potential new aggregate sources within the County to secure surfacing gravel requirements. A strategically located aggregate supply will reduce transportation cost associated with the gravelling program.	Engineering and Infrastructure	2018-2022	Initiated	<ul style="list-style-type: none"> <li>✓ Sustainability</li> </ul>
Create interactive mapping which provides information and grading and graveling programs.	Corporate Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Council Satisfaction</li> </ul>
Undertake cost analysis for replacement of County building infrastructure.	Corporate Services CAO Engineering and Infrastructure	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Sustainability</li> <li>✓ Employee Satisfaction</li> <li>✓ Financial Viability</li> </ul>
Lobby the Provincial Government for increased infrastructure funding.	Council CAO	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Sustainability</li> <li>✓ Financial Viability</li> </ul>
Provide some minimal maintenance on undeveloped road allowances in support of farming operations based on budget availability and staff capacity.	Operations	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> </ul>



## Strategic Priorities # 4 Responsible and Transparent Leadership and Governance

Vulcan County will continue to endeavor to be a municipality which operates in a transparent and responsible manner, with long term sustainability being a guiding factor. Key objectives to advance this priority are:

Key Action Item	Lead Role	Initiated	Status	Key Measures
Provide levels of service that balance ratepayer needs with organizational capacity.	CAO Department Heads	2018-2022	Ongoing	✓ Stakeholder Satisfaction ✓ Council Satisfaction
Build community confidence through responsible governance for long term sustainability.	CAO Department Heads	2014-2017	Ongoing	✓ Stakeholder Satisfaction
Continue to promote excellence through the production and submission of Annual Budget Reports and Annual Financial Reports to the Government Finance Officers Association Canadian Award for Financial and Budget Reporting.	Corporate Services	2018-2022	Ongoing	✓ Stakeholder Satisfaction ✓ Council Satisfaction ✓ Financial Viability
Improve public communications through our website, social media accounts, and print media. Review our meeting access options such as livestream and recorded options.	Legislative Services Department Heads	2018-2022	Ongoing with revisions	✓ Stakeholder Satisfaction ✓ Council Satisfaction
Continued review of taxation rates as to remain competitive with our rural neighbours and explore tax guideline options.	Corporate Services	2018-2022	Ongoing	✓ Stakeholder Satisfaction ✓ Financial Viability
Maintain our COR (Certificate of Recognition) certification which was achieved in 2020.	Department Heads	2022-2026	New	✓ Employee Satisfaction ✓ Process and System Improvements
Modernize the County website, allowing for easier navigation, updated content and a fresh look.	Corporate Services	2022-2026	New	✓ Stakeholder Satisfaction ✓ Process and System Improvements
Develop Environmental and Municipal Reserve Policy	Development Services	2022-2026	New	✓ Stakeholder Satisfaction ✓ Process and System Improvements
Improved communication from Council regarding the ongoings of committees and boards on which they are appointed to.	Legislative Services	2022-2026	Reinstituted	✓ Stakeholder Satisfaction





## Strategic Priorities # 5 Continued Support of Our Agricultural Industry

As a County, we recognize that our main industry within our borders is Agriculture. As such, Vulcan County is committed to supporting this industry not only through well maintained infrastructure, but programs and services through our Agricultural Service Board. Over the next four years, the following initiatives will be undertaken:

Key Action Item	Lead Role	Initiated	Status	Key Measures
Vulcan County will continue to have an active an engaged Agricultural Service Board that reviews and investigates new programming and services which are of benefit to our Agricultural Industry.	Ag Services	2018-2022	Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Sustainability</li> </ul>
Marginal Land Recovery Grant This program will help landowners with seeding marginal lands to grass and forages.	Rural Conservation Technician	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Investigate and purchase specialized agricultural equipment for our ratepayers that would not be available for rent or feasible to purchase.	Ag Services		Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> </ul>
Work with Alberta Agriculture to assist them with the annual field scouting and inspection of various crop disease and insects.	Ag Services		Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> </ul>
Work with companies wishing to bring business to Vulcan County to ensure their projects are a long-term benefit and that they have protocols in place to protect the land, with clear expectations of what is required.	Ag Services Development Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Council Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Continue to enforce the Weed Act of Alberta, Soil Conservation Act, and the Agricultural Pests Act, while increasing weed control measures and awareness throughout Vulcan County.	Ag Services	2018-2022	Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> </ul>
Develop and maintain a digital weed database for Vulcan County.	Ag Services GIS	2018-2022	Initiated	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> </ul>



## Strategic Priorities # 6 Safe Communities

As a rural community, Vulcan County can be faced with emergencies that rely on both volunteer and professional resources. Protection of our community is accomplished by six fire departments (Northwest, Milo, Lomond, Carmangay, Champion and Vulcan Fire), four RCMP detachments (Vulcan, Vauxhall, High River, and Strathmore), and the Vulcan County Community Peace Officer Program. To continue to provide protected communities, Vulcan County will undertake the following objectives:

Key Action Item	Lead Role	Initiated	Status	Key Measures
Continue with education as a primary value in regard to enforcement.	Protective Services	2018-2022	Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Council Satisfaction</li> </ul>
Training and exercises through the Vulcan County Regional Emergency Response Partnership.	CAO – RDEM Protective Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Council Satisfaction</li> </ul>
Engage RCMP on comprehensive policing and crime prevention strategy for the County.	Protective Services Council	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Council Satisfaction</li> </ul>
Continue to pressure the Province for better rural ambulance servicing in our region.	Council CAO Protective Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Employee Satisfaction</li> <li>✓ Sustainability</li> <li>✓ Process and System Improvements</li> </ul>
Continue to be fully compliant with the NFPA standards to operate at the service levels identified in the Bylaw.	Protective Services	2014-2017	Ongoing	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Employee Satisfaction</li> <li>✓ Sustainability</li> <li>✓ Process and System Improvements</li> </ul>
Explore Firefighter recruitment incentives to ensure sufficient staffing at all fire halls.	Protective Services CAO	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Employee Satisfaction</li> <li>✓ Sustainability</li> </ul>
Increase the delivery of prevention, and preparedness amongst our aging population.	Protective Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Build out the investigation program by purchasing equipment that will speed up the process and provide for in-depth reports. The camera's that the realtors use to give 360-degree views or walk-through pictures, drones for aerial assessment.	Protective Services	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Develop Council awareness of the Incident Command System, as well as Council awareness of obligations regarding emergency management in legislation.	CAO RDEM Council	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Stakeholder Satisfaction</li> <li>✓ Council Satisfaction</li> </ul>





## Strategic Priorities #7 Attract, Engage, and Retain New and Existing Employees

As work forces age, and transitions occur, it is important for Vulcan County to be positioned as an employer of choice. To ensure there is staff talent and capacity to provide the services the municipality is accustomed too, Vulcan County will undertake the following objectives to recruit and retain staff:

Key Action Item	Lead Role	Initiated	Status	Key Measures
Provide appropriate cross-training opportunities which will benefit staffing capacity and succession planning.	CAO Department Heads	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Employee Satisfaction</li> <li>✓ Sustainability</li> <li>✓ Process and System Improvements</li> </ul>
Enhance the performance review tools for supervisors.	CAO	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Employee Satisfaction</li> <li>✓ Process and System Improvements</li> </ul>
Undertake compensation reviews to ensure Vulcan County is competitive within the market.	CAO Third Party	2018-2022	Ongoing	<ul style="list-style-type: none"> <li>✓ Employee Satisfaction</li> <li>✓ Sustainability</li> <li>✓ Council Satisfaction</li> </ul>
Ensure adequate staffing to provide appropriate levels of service	CAO Department Heads Council	2022-2026	New	<ul style="list-style-type: none"> <li>✓ Employee Satisfaction</li> <li>✓ Sustainability</li> <li>✓ Council Satisfaction</li> </ul>



## APPENDIX 3 - INFOGRAPHICS & CHARTS

### 2024 Tax Rates & Assessment Information

#### 2024 Tax Rates & Assessment Information

The following infographic is used to show the effects on 2024 Tax Levies and the related Market Assessment.

For more information on Budget and Tax information, please visit the County's Website: [www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca) > Departments > Corporate Services

#### Strategic Planning Advancing Success (2022-2026)



Key Success Measure:  
Financial Viability

- > Diversification and strengthening of the assessment base.
- > Reasonable taxation and fee levels

#### Large-Scale Linear Projects

Recent large-scale linear projects, such as the Travers Solar Project, adds a significant diversification and growth to the County.



#### Tax Analysis

Within the Strategic Planning development and in Budget 2023 & 2024, Council and Administration reviewed many scenarios and analysis to prepare for the 2023 & 2024 Tax Rates.



#### 2024 Budget



Although there were many challenges with Budget 2024, including inflationary costs that have a large impact, the County was able to minimize these costs and utilize assessment growth to strategically achieve tax rate reductions for 2024. Some of the major aspects include:

##### 1) Assessment Growth

This allows the County to distribute tax revenues over a larger assessment pool and allow for tax planning strategies.

##### 2) Not spending extra

With additional assessment and tax revenues, the County did not spend on new/extra programming or costs. The majority of cost increases were specific to inflationary increases.

#### 2024 Tax Rates

The determination of the 2024 Tax Rates was done as a result of the Strategic Planning and what was fiscally viable through Budget 2024. These include:

↓ **31.67%**

Reduction to the **General Municipal Residential** Tax Rate  
(Results in average **18.62%** tax savings)

↓ **4.45%**

Reduction to the **General Municipal Non-Residential** Tax Rate  
(Results in average **5.00%** tax savings)

There are also various fluctuations in other tax rates, including special tax levies and requisitions tax levies. See the following page for more details.

**2nd**  
year in a row with  
significant general  
municipal  
tax rate  
reductions!







## 2024 Residential Tax Rates

	Carmangay and District	Champion and District	Lomond and District	Milo and District	Vulcan and District	Northwest District	Average (Weighted)
<b>Residential Rates:</b>							
General Municipal Tax Rates	0.0022000	0.0022000	0.0022000	0.0022000	0.0022000	0.0022000	0.0022000
Waste Commission Tax Rates	0.0004188	0.0004188	0.0004188	0.0004188	0.0004188	0.0004188	0.0004188
Fire Protection Area Tax Rates	0.0009692	0.0010364	0.0003158	0.0010649	0.0002496	0.0005764	0.0005619
Recreation Area Tax Rates	0.0004825	0.0005795	0.0002157	0.0005531	0.0004308	0.0002204	0.0003718
<b>Total Municipal</b>	<b>0.0040705</b>	<b>0.0042347</b>	<b>0.0031503</b>	<b>0.0042368</b>	<b>0.0032992</b>	<b>0.0034156</b>	<b>0.0035525</b>
Overall Change from Prior Year	-23.63%	-26.12%	-27.40%	-24.17%	-28.07%	-29.45%	-27.07%
Education Requisition Rate	0.0023091	0.0023091	0.0023091	0.0023091	0.0023091	0.0023091	0.0023091
Senior Foundation Requisition Rate	0.0002437	0.0002437	0.0002437	0.0002437	0.0002437	0.0002437	0.0002437
RCMP Requisition Rate	0.0001636	0.0001636	0.0001636	0.0001636	0.0001636	0.0001636	0.0001636
<b>Total Requisitions</b>	<b>0.0027164</b>	<b>0.0027164</b>	<b>0.0027164</b>	<b>0.0027164</b>	<b>0.0027164</b>	<b>0.0027164</b>	<b>0.0027164</b>
Overall Change from Prior Year	-4.11%	-4.11%	-4.11%	-4.11%	-4.11%	-4.11%	-4.11%
<b>Total Tax and Requisition Rates</b>	<b>0.0067869</b>	<b>0.0069511</b>	<b>0.0058667</b>	<b>0.0069532</b>	<b>0.0060156</b>	<b>0.0061320</b>	<b>0.0062689</b>
Overall Change from Prior Year	-16.86%	-18.84%	-18.20%	-17.42%	-18.92%	-20.10%	-18.62%

\* There are different special tax rates for Fire Protection and Recreation in each district. An average is used for an overall review and analysis.



### Residential Assessment



↑ **11.51% Average Market Increase**

Overall residential assessment increased by 16.99% including new construction and growth.

### Tax Rates



↓ **31.67% Decrease in the General Municipal Tax Rate**

This is the 2nd year in a row the County was able to reduce the residential general municipal tax rate (40% reduction in 2023). This results in an average net total tax rate reduction of 18.62% from the prior year (for all residential taxes).

**Overall, the vast majority of residential properties will see a decrease in total taxes.**

↓ **31.67%**

Decrease from prior year

**General Municipal Residential Tax Rate decreased:**

2022 - 0.0053660

2023 - 0.0032196

(40.00% reduction)

2024 - 0.0022000

(31.67% reduction)

Although there is a 31.67% reduction in the General Municipal Rate, there are other rate impacts that will determine the overall property taxes.

## 2024 Non-Residential Tax Rates

	Carmangay and District	Champion and District	Lomond and District	Milo and District	Vulcan and District	Northwest District	Average (Weighted)
<b>Non-Residential Rates:</b>							
General Municipal Tax Rates	0.0085000	0.0085000	0.0085000	0.0085000	0.0085000	0.0085000	0.0085000
Waste Commission Tax Rates	0.0004188	0.0004188	0.0004188	0.0004188	0.0004188	0.0004188	0.0004188
Fire Protection Area Tax Rates	0.0009692	0.0010364	0.0003158	0.0010649	0.0002496	0.0005764	0.0005619
Recreation Area Tax Rates	0.0004825	0.0005795	0.0002157	0.0005531	0.0004308	0.0002204	0.0003718
<b>Total Municipal</b>	<b>0.0103705</b>	<b>0.0105347</b>	<b>0.0094503</b>	<b>0.0105368</b>	<b>0.0095992</b>	<b>0.0097156</b>	<b>0.0098525</b>
Overall Change from Prior Year	-5.78%	-7.66%	-5.64%	-6.46%	-6.47%	-7.63%	-6.59%
Education Requisition Rate	0.0035678	0.0035678	0.0035678	0.0035678	0.0035678	0.0035678	0.0035678
Senior Foundation Requisition Rate	0.0002437	0.0002437	0.0002437	0.0002437	0.0002437	0.0002437	0.0002437
RCMP Requisition Rate	0.0001636	0.0001636	0.0001636	0.0001636	0.0001636	0.0001636	0.0001636
DIP Requisition Rate	0.0000765	0.0000765	0.0000765	0.0000765	0.0000765	0.0000765	0.0000765
<b>Total Requisitions</b>	<b>0.0040516</b>	<b>0.0040516</b>	<b>0.0040516</b>	<b>0.0040516</b>	<b>0.0040516</b>	<b>0.0040516</b>	<b>0.0040516</b>
Overall Change from Prior Year	-0.90%	-0.90%	-0.90%	-0.90%	-0.90%	-0.90%	-0.90%
<b>Total Tax and Requisition Rates</b>	<b>0.0144221</b>	<b>0.0145863</b>	<b>0.0135019</b>	<b>0.0145884</b>	<b>0.0136508</b>	<b>0.0137672</b>	<b>0.0139041</b>
Overall Change from Prior Year	-4.46%	-5.87%	-4.27%	-4.98%	-4.89%	-5.75%	-5.00%

\* DIP Requisition = Designated Industrial Properties (DIP) requisition for related DIP assessment.

↓ **4.45%**

Decrease from prior year

**General Municipal Non-Residential Tax Rate decreased:**

2022 - 0.0094140

2023 - 0.0088962

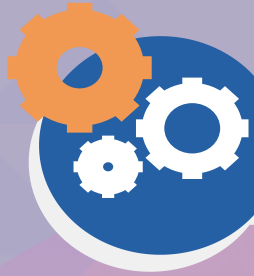
(5.50% reduction)

2024 - 0.0085000

(4.45% reduction)

Although there is a 4.45% reduction in the General Municipal Rate, there are other rate impacts that will determine the overall property taxes.





## Supplementary Information

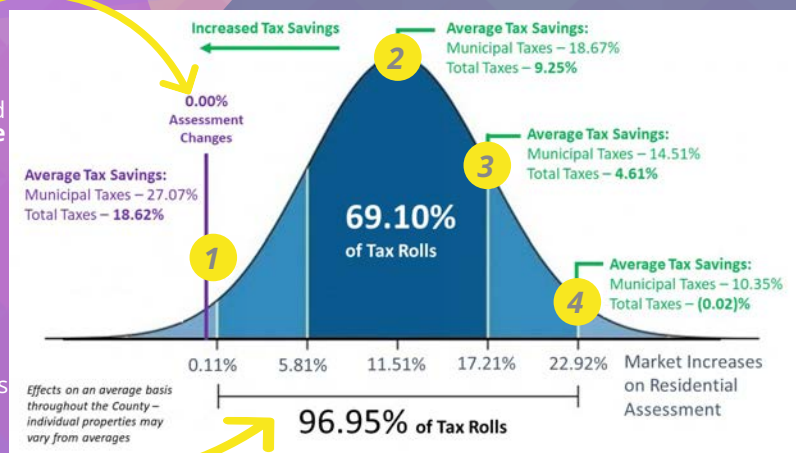
The following is supplementary information on the **2024 Tax Rates & Assessment**:

### Overview on Residential Tax Rates & Assessment

A "bell curve" distribution is used to show the effects on the residential properties, including the effective market increases in residential assessment, the resulting effects on tax savings (with the reduced tax rates), and the amount of properties that are impacted throughout the County.

The majority of properties/tax rolls (69.10%) will fall within the navy area of the graph (in statistical terms, this is within one standard deviation from the average). The vast majority of residential properties (96.95%) will fall into the larger portion of the bell curve, which covers the navy and blue area of the graph:

- 1 If there were no increases in assessment, residential properties would be able to realize an **average tax savings of 18.62%** on total taxes.
- 2 The average market assessment increased by 11.51% in 2024, resulting in an **average tax savings of 9.25%** on total taxes.
- 3 Over 69% of residential properties will see market assessment changes ranging from 5.81% to 17.21% increase; whereas at the top of this range, there is an **average tax savings of 4.61%** on total taxes.
- 4 Approx. 97% of residential properties will see market assessment changes ranging from a 0.11% to 22.92% increase; whereas at the top of this range there will be effectively no increases on total taxes.



**Overall, the vast majority of residential properties will see a decrease in total taxes.**

### Municipal Tax Rates - Performance Measures

Comparable Range



The County has recently updated and enhanced the **Performance Measures Dashboards** to include details on Municipal Tax Rates and Tax Rate Details.

This includes historical municipal tax rates, tax information, and comparison data to other similar municipalities.



For more information on Performance Measures, please visit the County's Website:  
[www.vulcancounty.ab.ca](http://www.vulcancounty.ab.ca) > Departments > Corporate Services > Financial Plan & Reports

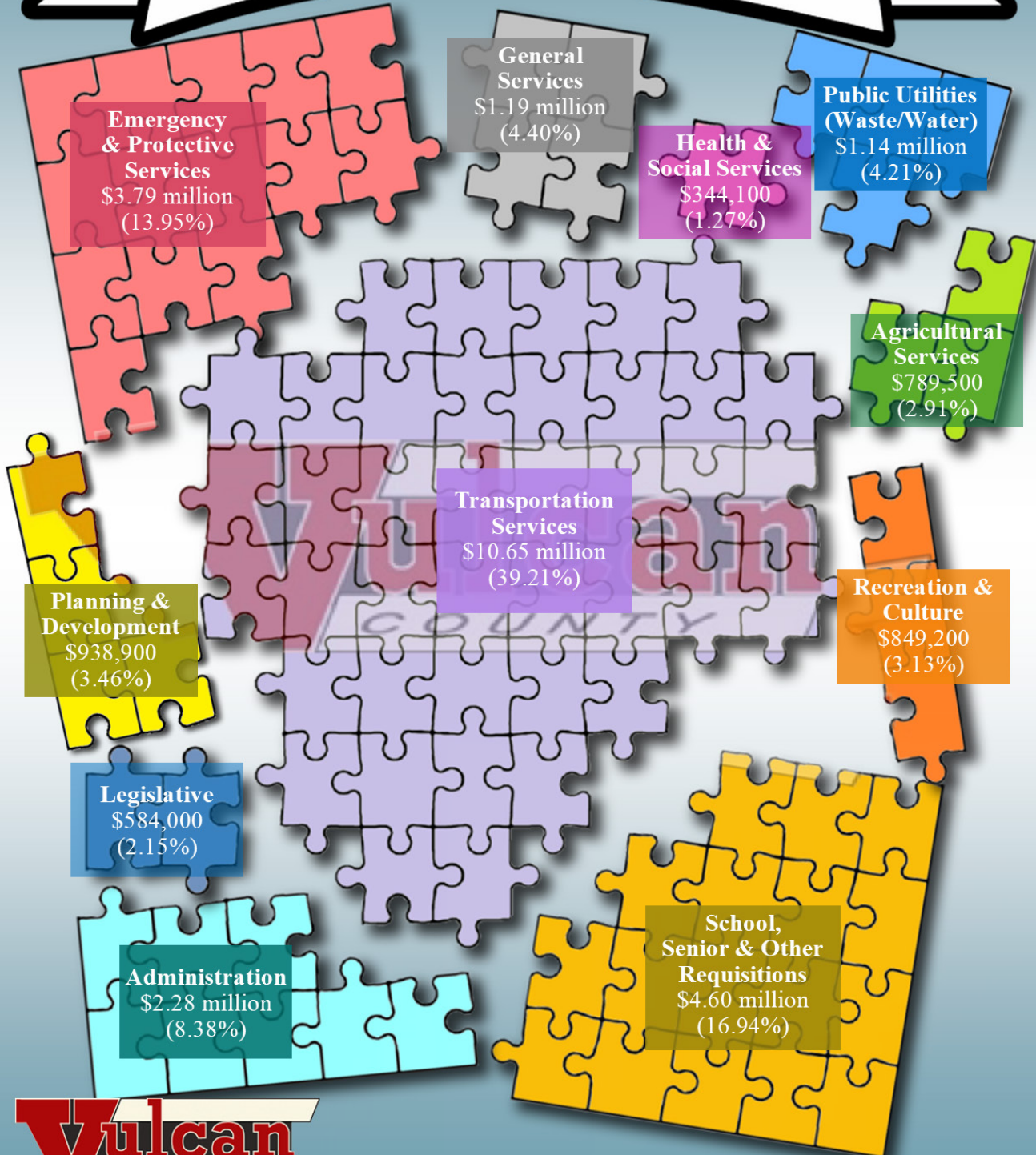




# 2024 Infographic - The Pieces of the County's Budget



## The Pieces of the County's Budget



Budget 2024

Introductory

Operating Budget

Capital & Reserves

Appendix & Glossary





## APPENDIX 4 - STATISTICS AND RATIOS

### Demographics and Other Factors

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
POPULATION	3,984	4,237	4,237	4,237	N/A
NUMBER OF DWELLING UNITS	2,249	2,286	2,313	2,365	N/A
AREA OF MUNICIPALITY IN HECTARES	554,574	554,574	554,574	554,574	554,574
NUMBER OF HAMLETS	8	8	8	8	8
ROAD MAINTAINED (Km)	2,672	2,670	2,670	2,672	2,672
WATER PIPELINE (Km)	455	455	456	456	456
DEVELOPMENT PERMITS	57	132	77	80	N/A
SUBDIVISIONS APPLICATIONS	8	13	20	16	N/A
FULL TIME STAFF	49	49	50	54	N/A

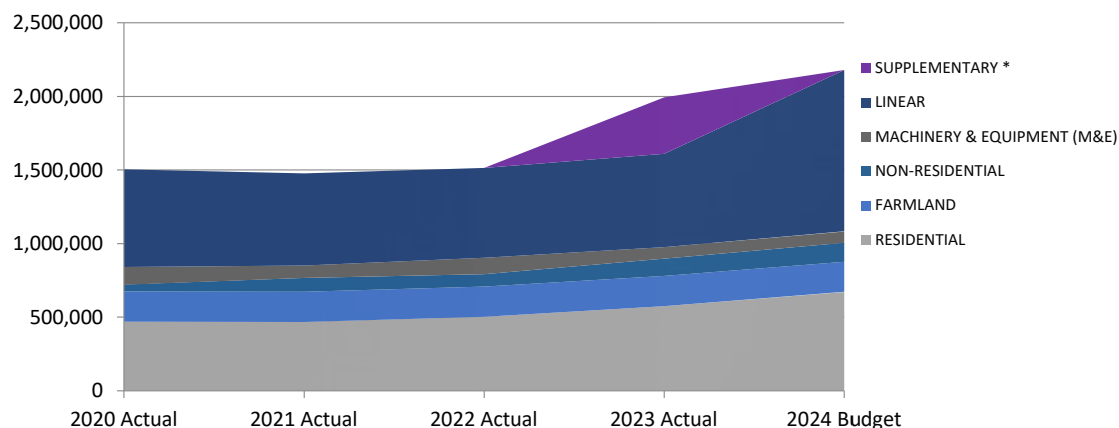
#### OTHER VULCAN COUNTY STATISTICS:

Source: <https://regionaldashboard.alberta.ca/region/vulcan-county/>

EMPLOYMENT RATE	64.9%	67.0%	67.0%	67.0%	N/A
UNEMPLOYMENT RATE - OVERALL	4.0%	5.0%	5.0%	5.0%	N/A
UNEMPLOYMENT RATE - FEMALE	4.9%	6.0%	6.0%	6.0%	N/A
UNEMPLOYMENT RATE - MALE	3.2%	4.0%	4.0%	4.0%	N/A
FAMILY INCOME - Average	\$ 99,000	\$ 99,000	\$ 99,000	\$ 99,000	N/A

### Property Assessment (in thousands)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
RESIDENTIAL	469,990	468,930	503,479	574,715	672,341
FARMLAND	204,924	204,911	205,149	205,106	205,081
NON-RESIDENTIAL	46,161	92,825	84,272	117,619	128,267
MACHINERY & EQUIPMENT (M&E)	120,002	84,490	110,538	78,621	77,381
LINEAR	662,745	626,613	611,164	634,671	1,097,080
<b>TOTAL ASSESSMENT</b>	<b>1,503,822</b>	<b>1,477,769</b>	<b>1,514,602</b>	<b>1,610,732</b>	<b>2,180,150</b>
SUPPLEMENTARY *	0	0	0	382,285	0
<b>TAXABLE ASSESSMENT</b>	<b>1,503,822</b>	<b>1,477,769</b>	<b>1,514,602</b>	<b>1,993,017</b>	<b>2,180,150</b>



\* Supplementary Assessment is for all assessment classes; however, effectively applied for large linear projects.



## Tax Rates (expressed in mills)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
<b>MUNICIPAL</b>					
Residential	5.3660	5.3660	5.3660	3.2196	2.2000
Farmland	10.8230	10.8230	10.8230	10.8230	10.8230
Non-Residential, M&E, and Linear	9.4140	9.4140	9.4140	8.8962	8.5000
<b>WASTE COMMISSION</b>	0.4690	0.5197	0.5599	0.5887	0.4188
<b>EDUCATION REQUISITION</b>					
Residential and Farmland	2.5500	2.6137	2.6500	2.3470	2.3091
Non-Residential and Linear	3.7500	4.0890	3.9000	3.5283	3.5678
<b>SENIOR FOUNDATION REQUISITION</b>	0.2682	0.3399	0.3304	0.3360	0.2437
<b>OTHER REQUISITION</b>					
Royal Canadian Mounted Police	0.0822	0.1256	0.1633	0.1497	0.1636
Designated Industrial Properties	0.0760	0.0766	0.0766	0.0746	0.0765
<b>SPECIAL LEVY - FIRE PROTECTION AREA</b>					
Carmangay and District	1.4430	0.7673	0.9142	1.0187	0.9692
Champion and District	1.1067	0.8920	1.1036	1.3238	1.0364
Lomond and District	0.6864	0.4328	0.5241	0.4736	0.3158
Milo and District	1.2271	1.1928	1.2897	1.1777	1.0649
Vulcan and District	0.2896	0.2665	0.3299	0.3215	0.2496
Northwest	0.6261	0.8495	0.7425	0.7992	0.5764
Linear	0.3618	0.3618	0.3618	0.3618	0.3618
<b>SPECIAL LEVY - RECREATIONAL AREA</b>					
Carmangay and District	0.8548	0.6411	0.5859	0.5031	0.4825
Champion and District	0.5490	0.6420	0.7059	0.5994	0.5795
Lomond and District	0.3172	0.1623	0.0810	0.0571	0.2157
Milo and District	0.7724	0.6345	0.6163	0.6015	0.5531
Vulcan and District	0.7233	0.6580	0.6571	0.4569	0.4308
Northwest	0.2209	0.2835	0.2522	0.2340	0.2204
Linear	0.1388	0.1388	0.1388	0.1388	0.0823

## Total Tax Collections

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
Net Municipal Taxes	15,373,853	14,189,795	15,079,227	17,943,837	17,168,356
School Requisitions	2,614,518	3,404,742	3,054,596	3,138,040	3,588,907
Seniors Requisitions	402,387	502,326	500,406	547,654	560,513
Other Requisitions	59,007	178,708	229,112	309,987	446,675
<b>TOTAL TAX COLLECTIONS</b>	<b>18,449,765</b>	<b>18,275,571</b>	<b>18,863,341</b>	<b>21,939,518</b>	<b>21,764,451</b>





## Assets, Liabilities & Surplus

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
<b>TAX RECEIVABLE AS % OF TAXES</b>					
Tax Receivables	3,475,225	913,671	763,379	4,531,347	N/A
Supplementary Tax Receivables *	0	0	0	4,016,833	N/A
Effective Tax Receivables	3,475,225	913,671	763,379	514,514	N/A
Total Tax Levies	18,449,765	18,275,571	18,863,341	21,939,518	N/A
Tax Receivable as % of Taxes	18.8%	5.0%	4.0%	2.3%	N/A
<i>* Supplementary Tax Levies are processed at the end of the year and not due for payment until the following year.</i>					
Financial Assets	37,719,297	42,083,056	42,541,150	48,705,018	N/A
Financial Liabilities	(5,003,095)	(7,965,347)	(5,061,450)	(5,465,173)	N/A
<b>NET FINANCIAL ASSETS</b>	<b>32,716,202</b>	<b>34,117,709</b>	<b>37,479,700</b>	<b>43,239,845</b>	<b>N/A</b>
Tangible Capital Assets	107,985,733	107,104,734	108,086,239	107,687,527	N/A
Inventory Held for Consumption	7,253,675	7,847,867	9,103,226	8,720,764	N/A
Prepaid Expenses	262,666	236,861	428,289	402,198	N/A
<b>ACCUMULATED SURPLUS</b>	<b>148,218,276</b>	<b>149,307,171</b>	<b>155,097,454</b>	<b>160,050,334</b>	<b>N/A</b>
Unrestricted Surplus	954,934	952,521	897,813	900,534	N/A
Restricted Surplus (Reserves)	39,278,821	41,249,916	46,636,284	51,987,627	N/A
Equity in Tangible Capital Assets	107,984,521	107,104,734	107,563,357	107,162,173	N/A
<b>ACCUMULATED SURPLUS</b>	<b>148,218,276</b>	<b>149,307,171</b>	<b>155,097,454</b>	<b>160,050,334</b>	<b>N/A</b>

## Revenues (by source)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
Net Municipal Taxes	15,373,853	14,189,795	15,079,227	17,943,837	17,168,356
Government Transfers	1,185,684	535,535	1,403,059	1,104,191	1,015,543
Return on Investments	491,125	353,865	1,022,438	2,063,059	726,824
Charges	932,209	1,562,870	888,685	1,949,632	960,502
Rental Income	311,783	338,373	319,129	320,565	320,680
Community Aggregate Levy	134,670	241,318	212,993	193,171	142,912
Penalties and Costs of Taxes	417,452	502,498	228,725	350,624	130,000
Gain on Disposal of Capital Assets	2,306,556	2,427,982	1,430,054	26,523	0
Other Revenue	86,871	34,697	240,385	30,518	0
<b>OPERATING REVENUES</b>	<b>21,240,203</b>	<b>20,186,933</b>	<b>20,824,695</b>	<b>23,982,120</b>	<b>20,464,817</b>
Contributed Tangible Capital Assets	0	0	0	0	0
Government Transfers for Capital	533,134	2,672,336	4,294,087	1,756,668	2,234,582
<b>TOTAL REVENUES</b>	<b>21,773,337</b>	<b>22,859,269</b>	<b>25,118,782</b>	<b>25,738,788</b>	<b>22,699,399</b>



## Expenses (by function and object)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
<b>EXPENSES BY FUNCTION</b>					
Legislative	369,215	399,079	447,807	478,318	583,963
Administration	1,712,655	1,743,816	2,056,167	2,267,748	2,476,843
Protective services	1,856,185	1,918,900	2,045,659	2,627,286	3,328,847
Transportation services	9,257,939	10,366,739	10,552,481	11,290,788	10,545,984
Agricultural services	694,700	722,417	650,453	720,976	1,169,508
Planning and development services	640,093	643,074	544,723	691,937	219,763
Family and community support	218,639	236,248	217,118	219,469	825,947
Parks and recreation	877,590	937,291	671,001	696,646	905,389
Tourism and economic development	255,514	125,537	24,040	19,922	42,376
Utility Services	1,008,446	952,000	1,021,944	1,140,509	726,618
Other	77,653	3,725,273	621,097	632,309	223,329
<b>TOTAL EXPENSES</b>	<b>16,968,629</b>	<b>21,770,374</b>	<b>18,852,490</b>	<b>20,785,908</b>	<b>21,048,567</b>

\* The term "function" refers to the grouping of expenses by department or service

<b>EXPENSE BY OBJECT</b>					
Salaries, wages and benefits	5,950,731	6,470,017	6,937,554	7,798,714	9,312,253
Contracted and general services	2,539,268	2,602,679	2,543,119	3,378,964	3,370,418
Materials, goods and utilities	2,171,230	2,606,600	2,820,480	3,149,977	3,291,582
Provision for allowances	58,189	3,202,579	602,629	625,434	216,483
Transfers to local boards and agencies	2,004,802	2,020,901	1,893,026	2,002,831	2,025,374
Interest and bank charges	51,505	48,758	48,635	40,642	42,068
Amortization of tangible capital assets	4,746,635	4,615,232	4,818,615	4,876,655	4,876,656
Amortization of ARO capital assets	0	0	1,115	1,115	1,115
Accretion ARO expenses	0	0	18,012	19,291	20,046
Machine expenses capitalized	(1,046,934)	(1,351,472)	(1,639,395)	(1,423,600)	(2,134,920)
Loss on disposal of capital assets	416,189	852,803	729,078	34,685	0
Other expenses	77,014	702,277	79,622	281,200	27,492
<b>TOTAL EXPENSES</b>	<b>16,968,629</b>	<b>21,770,374</b>	<b>18,852,490</b>	<b>20,785,908</b>	<b>21,048,567</b>

\* The term "object" refers to the grouping by the nature or type of expense

## Debt Supported by Taxes

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
Gross Debt (supported by tax)	1,511,404	1,382,720	1,252,044	1,118,084	N/A
County Population	3,984	4,237	4,237	4,237	N/A
<b>LONG-TERM DEBT PER CAPITA</b>	<b>379</b>	<b>326</b>	<b>296</b>	<b>264</b>	<b>N/A</b>

\* Note: Net debt, defined as the difference between debt and "cash & cash equivalents", is zero for all years





## Transfer to Local Boards and Agencies

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
<b>TRANSFERS TO OTHER LOCAL GOVERNMENTS</b>					
Vulcan District Waste Commission	696,573	768,040	852,340	948,762	962,993
Twin Valley Regional Water Commission	36,096	37,246	39,536	41,662	40,467
Vulcan Library Board	133,500	133,500	133,500	145,000	145,000
Fire Area Contributions	148,330	156,310	207,972	177,869	167,745
Recreation Area Contributions	711,541	772,875	507,912	519,846	548,563
Other local governments and organizations	278,762	152,930	151,766	169,692	160,606
	<b>2,004,802</b>	<b>2,020,901</b>	<b>1,893,026</b>	<b>2,002,831</b>	<b>2,025,374</b>

## Annual Surplus and Allocations

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget
TOTAL REVENUES	21,773,337	22,859,269	25,118,782	25,738,788	22,699,399
TOTAL EXPENSES	(16,968,629)	(21,770,374)	(18,852,490)	(20,785,908)	(21,048,567)
<b>ANNUAL SURPLUS</b>	<b>4,804,708</b>	<b>1,088,895</b>	<b>6,266,292</b>	<b>4,952,880</b>	<b>1,650,832</b>
ADD: Proceeds from Sale of Tangible Capital Assets	1,366,244	1,213,582	740,539	225,114	0
ADD: Transfer from Restricted Surplus to Operations	4,584,950	6,897,047	3,231,614	3,099,759	4,822,110
ADD: Amortization of Tangible Capital Assets and ARO accretion	4,746,635	4,615,232	4,837,743	4,880,242	4,897,817
LESS: Transfers to Restricted Surplus	(13,146,234)	(8,868,142)	(8,617,982)	(8,451,102)	(3,694,351)
LESS: Capital Expenditures	(5,741,676)	(4,949,027)	(6,521,313)	(4,704,172)	(7,676,408)
<b>ALLOCATION TO UNRESTRICTED SURPLUS</b>	<b>(3,385,373)</b>	<b>(2,413)</b>	<b>(63,107)</b>	<b>2,721</b>	<b>0</b>



## Principal Corporate Taxpayers and Industries

### Top 10 Principal Corporate Taxpayers:

TRAVERS SOLAR LP LTD.  
EDF RENEWABLES DEVELOPMENT  
ALTALINK MANAGEMENT LTD  
CANADIAN NATURAL RESOURCES  
TAQA NORTH LTD  
G3 CANADA LIMITED  
HUTTERIAN BRETHREN CHURCH  
NOVA GAS TRANSMISSION LTD  
RICHARDSON INTERNATIONAL L  
JOURNEY ENERGY INC.

*\* These top 10 taxpayers represent 53.64% of the total tax base*

### Top 10 Industries of Employment:

Agriculture, forestry, fishing and hunting  
Health care and social assistance  
Construction  
Educational services  
Other services (except public administration)  
Public administration  
Professional, scientific and technical services  
Retail trade  
Wholesale trade  
Transportation and warehousing

Source: <https://regionaldashboard.alberta.ca/region/vulcan-county/labour-force/#/custom/industry/>





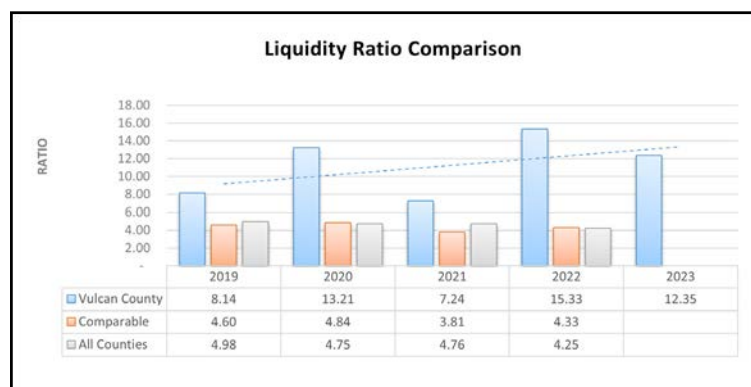
## APPENDIX 5 - FINANCIAL INDICATORS & PERFORMANCE MEASURES



Indicators of Financial Health and other Performance Measures help to indicate how the County is doing over time and alert management to any issues or concerns that should be addressed by reviewing the overall financial and operational health.

Through Provincial data on all municipalities, the County is able to compare specific indicators to other Alberta municipalities and compare to specific municipalities that are in comparable size and in close proximity in geological locations. *Note that the Comparison Data for 2023 is not available at the time this report is created as the Provincial Government typically provides this data in June/July of the year following once all municipalities have submitted their data.*

### Current/Liquidity Ratio Comparison

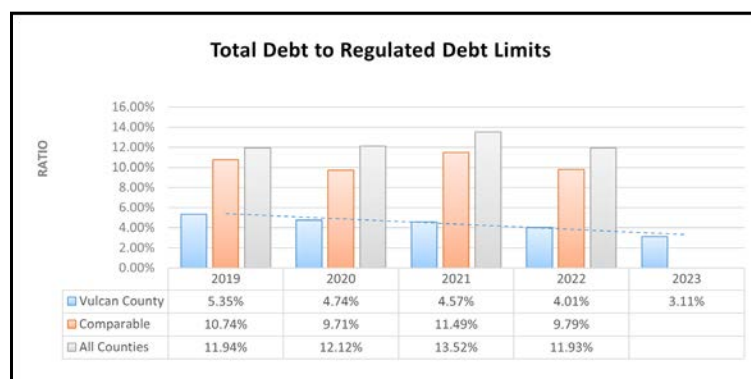


The Current/Liquidity Ratio is a measure to indicate that the County can meet its short-term obligations and that the County has the ability to better respond to rapidly changing circumstances (as often required). The Current Ratio is calculated by the ratio of current assets to current liabilities

The County has historically maintained a high current ratio (2023 ratio of 12.35) as the County has the current assets are sufficient to cover the related current liabilities. Some of the current assets, such as portfolio investments are also used to fund specific reserve funds, which further increases the

County's Current Ratio. The majority of the County's financial assets are comprised of cash and short-term investments (representing approx. 83.4%); therefore, further increasing the liquidity of the County. The ratio decreased slightly from 2022 as the County delayed investing in long-term investments until early 2023 as investment rates were increasing.

### Total Percentage of Debt Limit



The Total % of Debt Limit Ratio is a measure to indicate the total amount of municipal borrowings, including long term capital leases, as a percentage of the total regulated debt limit available to the municipality. This is an indicator if the municipality has maintained reasonable levels of borrowing debt.

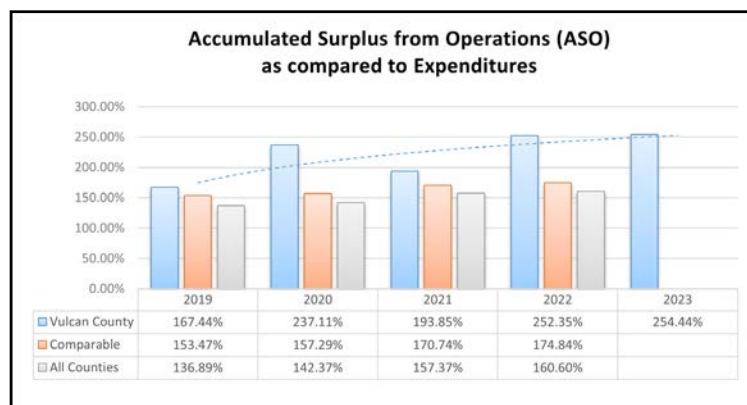
The Total % of Debt Limit Ratio is calculated by the ratio between total municipal debt and the related total debt limit. The debt limit is calculated at 1.5 times the revenue of the municipality (as defined by Alberta Regulation 255/00).

The County has historically maintained minimal levels of debt (2023 ratio of 3.11%); whereas, the County uses long-term planning and its 20-year capital plan to fund large capital projects (without requiring debt). The current debt relates specifically to a long-term debenture debt received to provide as a funding contribution towards the Vulcan Hospital Expansion Project.





## Accumulated Surplus from Operations

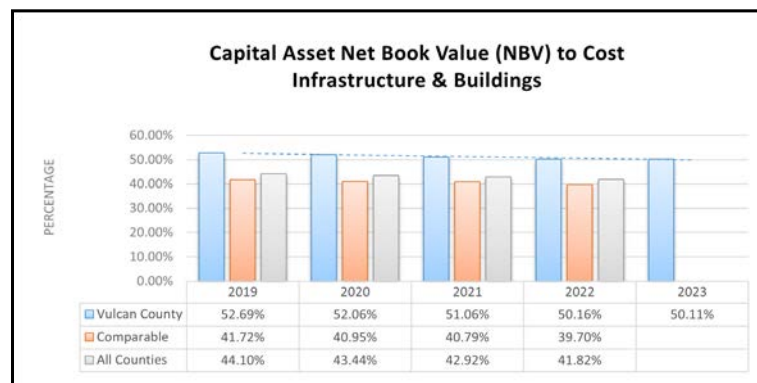


The Accumulated Operating Surplus (AOS) as a % of Expenses Ratio is a measure to indicate level Unrestricted Surplus and Reserves that are available to cover the annual costs of operations. The AOS represents the total Accumulated Surplus excluding the Equity in Tangible Capital Assets. This can be an indicator of long-term stability and planning.

The AOS% of Expenses Ratio is calculated by the ratio of combining the Unrestricted Surplus and Reserves and dividing this by the total annual expenses. Reserves can include both specific operating and capital reserves (2023 ratio of 254.44%).

The County has historically maintained a higher than average AOS% of Expenses ratio (compared to other comparables and provincial averages) as the County believes in long-term stability and planning, including maintaining appropriate levels of operating and contingency reserves and a fully-funded 20-year capital plan to ensure the infrastructure and capital needs are covered while minimizing significant fluctuations from year-to-year.

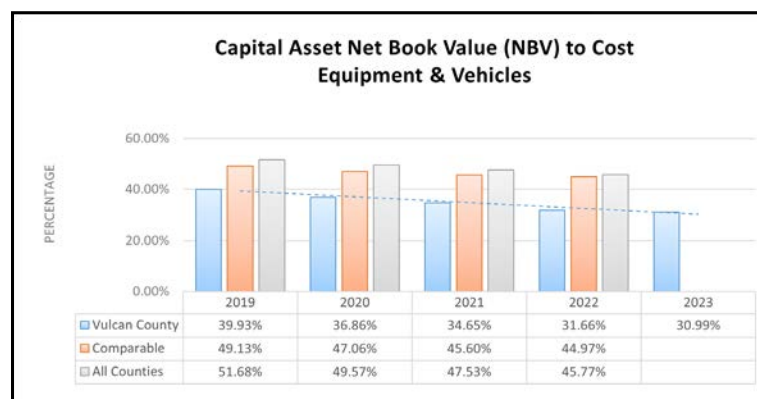
## Capital Asset Net Book Value



In both the Capital Asset Net Book Value to Cost of Infrastructure/Buildings and the Equipment/Vehicles charts indicate how much is remaining in the capital assets useful life and/or in productive use. This indicator is for all of the County's capital assets.

These ratio is calculated by the ratio of the net book value (NBV) of TCA as a percentage of the total original costs. The NBV is the original purchase cost less the accumulative amortization (depreciation).

The County has historically maintained a high Infrastructure and Buildings TCA ratio (2023 ratio of 50.11%) as the County maintains a 20-year capital plan for the replacement of infrastructure and facilities. Continual replacement and maintenance of the County's road and bridge infrastructure is a strategic priority for the County.

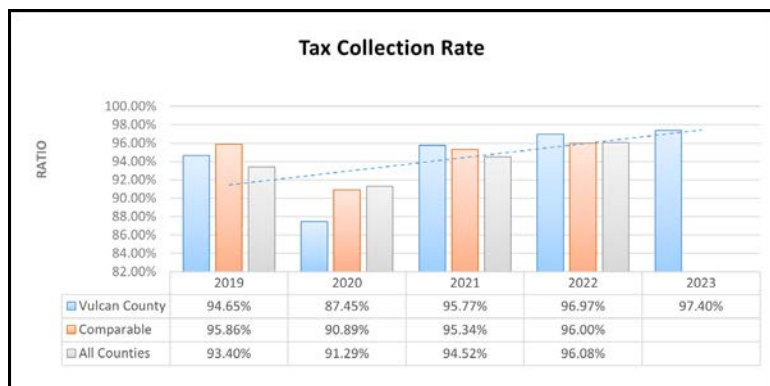


The County maintains a 20-year capital plan for the replacement of vehicles, and machinery & equipment (which can include multiple replacement cycles). The County has a lower ratio (2023 ratio of 30.99%) as the County often is able to effectively extend the useful life of the vehicles/equipment by appropriate maintenance and also the County may re-purposes equipment (within other departments).





## Tax Collection Rate



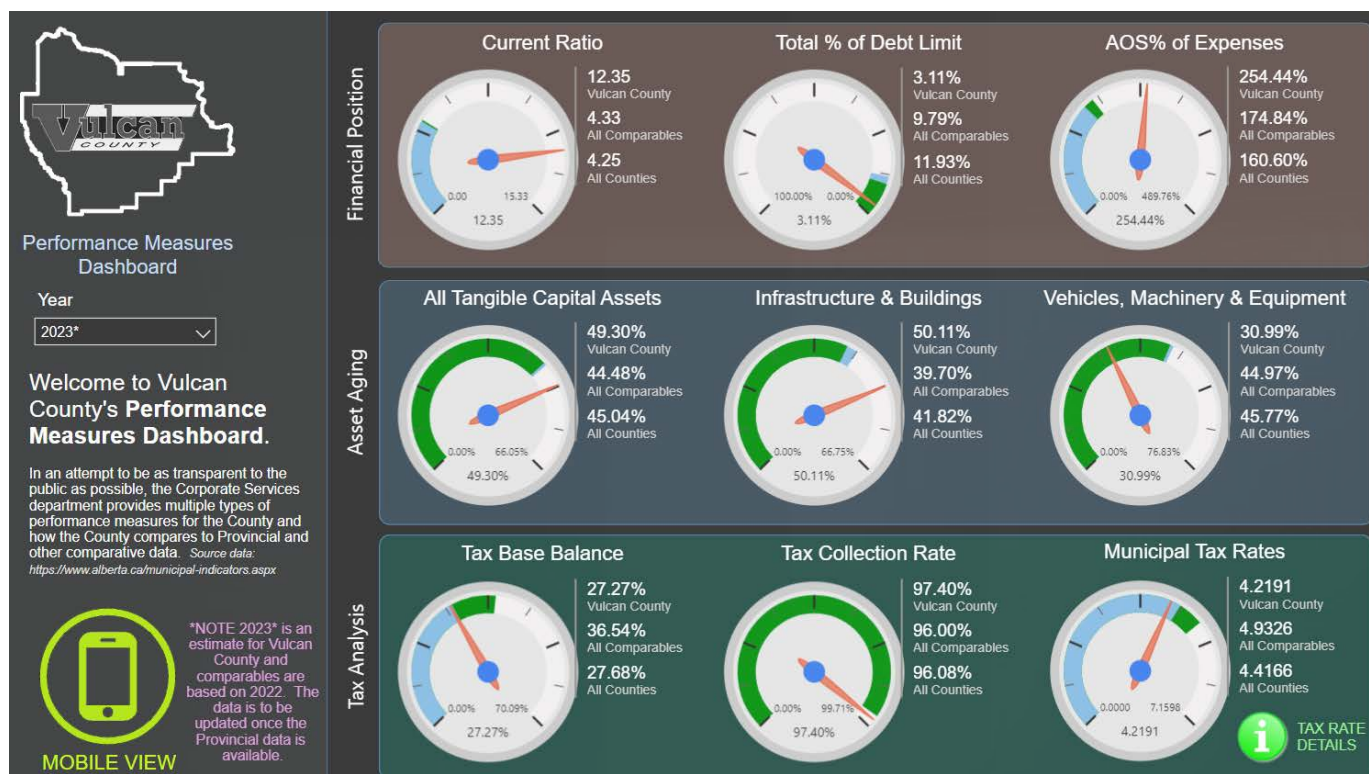
The Tax Collection Rate is a measure to indicate the ability of the municipality to collect own-source revenues, including property taxes, special taxes, local improvement taxes, well drilling equipment taxes, and grants-in-place-of taxes.

The Tax Collection Rate is calculated by the inverse ratio of current taxes outstanding at yearend against the total tax revenues issued in the year. Note that this calculation does not include any allowances on tax receivables as these typically relate specifically to tax arrears (over 1-year aged tax receivables).

The County has historically been able to collect on tax receivables over the 90% expectation (2023 ratio of 97.40%); whereas, this ratio has been revised to exclude the 2023 supplementary tax balances as they are not actually due to the following year (due in February 2024) and these balances should not be included in the applicable ratio for the 2023 yearend balances. The County continually monitors the tax receivable balances for collectability and outstanding balances.

## Performance Measure Dashboard

In an attempt to be as transparent to the public as possible, the Corporate Services department provides multiple types of performance measures for the County and how the County compares to Provincial and other comparative data:



[Click the Dashboard for Link](#)





These Performance Measures and Financial Indicators to review the overall financial and operational health of the organization. Many of these measures are established and monitored by the Provincial Government through Alberta Municipal Affairs as “Key Performance Indicators (KPIs)”. Through Provincial data on all municipalities, the County is able to compare specific indicators to other Alberta municipalities and compare to specific municipalities that are in comparable size and in close proximity in geological locations. *These correlate to the performance measures listed in this report.*

#### Financial Position:

- Current Ratio
- Total % of Debt Limit
- AOS% of Expenses

#### Asset Aging:

- All Tangible Capital Assets
- Infrastructure & Buildings
- Vehicles, Machinery & Equipment

#### Tax Analysis:

- Tax Base Balance
- Tax Collection Rate
- Municipal Tax Rates\*

\* *Municipal Tax Rates also has additional tax rate details on other tax rates applicable for the County, including district specific rates and requisition tax rates.*

Although these Performance Measures and Financial Indicators review the overall financial and operational health, they can have direct impacts on the budget process and allocations; whereas, should there be any issues or concerns with these measures there may be budget impacts to correct or realign these ratios. The following are examples where changes in these ratios would have budget impacts:

- Tax Collection Rate - a low rate may be an indicator that the assessment and related tax revenues may be uncollectable; whereas, this would likely result in increased budgeted allowances and/or allocations to reserves for potential uncollectability as a contingency reserve. The Tax Base Balance measure may also impact this analysis on reliance and risks on specific assessment types.
- Asset Aging - this is typically reviewed separately between Infrastructure & Buildings and Vehicles, Machinery & Equipment. If the net book value to total cost ratios fall start to decrease significantly (or below specific level), this would indicate that the County should consider updating the 20-year Capital Plan to increase the frequency and/or replacement cycle of assets. This would impact both the capital budgets and the budgeted capital reserve allocations. This can also support in budgeting for repairs and maintenance costs.
- The Accumulated Operating Surplus (AOS) as a % Expenses - This ratio can be an indicator of the level of reserves that are held by the County (compared to expenses). A high ratio will indicate that there are reserves that may be utilized in budget to fund programs and/or operations. A lower ratio may be an indicator that the County will be required to budget for reserve allocations to build up the reserves to appropriate levels.

Overall, Vulcan County has a strong financial health; whereas, the County seems to be in a strong financial position when in comparison to many of the other comparable municipalities. This is shown throughout the performance measures, including liquidity, debt limits, accumulated surplus, capital assets, and through tax collections.



# GLOSSARY & ACRONYMS

## Glossary of Terms

### ACCRUAL BASIS ACCOUNTING

Accrual basis of accounting for recognizing transactions that occur over a longer time period; typically, extending over multiple budget years. These transactions are recognized in the budget based on when the transaction or service is provided (not based on exchange of cash).

### ACCUMULATED SURPLUS

The overall surplus for the County that has been accumulated from year-to-year. The three (3) major components include Unrestricted Surplus, Restricted Surplus, and Equity in Tangible Capital Assets.

### ARO ACCRETION EXPENSE

The periodic recognition of an expense a result of the passage of time, typically associated with an increase to the present value method in determining an Asset Retirement Obligation (ARO) liability.

### AMORTIZATION

The systematic allocation of an asset to expense over a certain period of time. This is a non-cash transaction, in which, an asset is expensed over its projected useful life.

### APPROPRIATION

The act of setting money aside by formal action for a specific use, such as is the case with reserve allocations.

### APPROVED BUDGET

The budget(s) that have been presented and have been approved by Council by way of Council Motion, which will govern the County's operations for the budget year. This may include interim or final budgets.

### ASSESSMENT

The value established for property for use as a basis of levying taxes for municipal purposes. Assessment can be valued by market or regulated rates. All property assessments are prepared under direction of the Alberta Municipal Government Act (MGA), and relevant Regulations and Minister's Guidelines.

### ASSESSMENT - FARMLAND

Farmland is assessed on the basis of its productive value; that is, the ability of the land to produce income from the growing of crops and/or the raising of livestock. Farmland is assessed by the local assessor by regulated rates.

### ASSESSMENT - LINEAR

The assessment on properties such as cable, electrical power/generation, telecommunications, pipelines, and wells. These types of properties are assessed by the Provincial assessor's office.

### ASSESSMENT - MACHINERY & EQUIPMENT

Machinery and equipment (M&E) includes such things as underground tanks, separators, fuel gas scrubbers, compressors, chemical injectors, and metering and analysis equipment. Most machinery and equipment is assessed by the local assessor, while machinery and equipment forming part of linear property is assessed by the assessor designated by the Minister of Municipal Affairs.

### ASSESSMENT - NON-RESIDENTIAL

All types of property categorized as non-residential for assessment purposes. It includes industrial, commercial and institutional properties, engineering construction and mining properties, and vacant lands which are lawfully usable for non-residential purposes. Linear and Machinery/Equipment are classified separately for assessment purposes.

### ASSESSMENT - RESIDENTIAL

All types of property categorized as residential for assessment purposes. It includes single and multi-unit properties, farm residences, cottages and vacation homes, mobile homes, and vacant lands which are lawfully usable for residential purposes.

### BALANCED BUDGET

A budget where the total budgeted revenues & transfers in match the total budgeted expenditures & transfers out.

### BASE BUDGET

The base budget is the budget carried forward from the prior year to maintain the same service levels and is at the same rates/costs as budgeted in the prior year.

### BUDGET

An estimate of revenue and a plan for expenditures of an organization, either for a specific time period or for a specific project.

### CAPITAL BUDGET

The planned capital revenues, expenditures, and transfers required for the acquisition/construction of the tangible capital assets for the County in the current budget year.

### CAPITAL EXPENDITURES

Expenditures to acquire, develop or construct tangible capital assets.





### CAPITALIZATION

The inclusion of expenditures into the cost of a tangible capital asset. Internally constructed capital assets include the capitalization of the related costs.

### CASH BASIS ACCOUNTING

Cash basis of accounting for recognizing transactions that occur in a short time period (based on the exchange of cash). These include revenues and expenses that will typically be completed in the budget year and are not expected to occur over multiple years.

### COUNCIL/COUNCILLORS

The governing body that is elected to represent the ratepayers of the County. Councillors are the individual members that make up the Council; in which, there are currently seven (7) Councillors on Council. Elections for Councillors occur every four (4) years.

### CONTINGENCY FUNDS

The budgetary reserve/account set aside for emergencies or unforeseen expenditures (not otherwise budgeted).

### CONTRACTED SERVICES

Services provided to the County by external organizations, individuals, or agencies. The County contracted out these services as the County does not have the expertise or resources to complete the work internally (i.e., engineering and legal services).

### DEBT/DEBENTURE

A financial obligation resulting from the borrowing of money. A debenture is a certificate of indebtedness; typically issued by another governmental body (i.e., ACFA).

### DEBT LIMITS

The regulated limits on the amount of debt that a municipality may borrow or the amount of annual repayment imposed to a municipality. Regulated by forms of legislation (i.e., MGA, Alberta Regulations).

### DEFICIT

The result of expenditures/transfers out exceeding the revenues/transfers in (costs greater than revenues). The MGA requires that a municipality can not budget a deficit and if a deficit results in a period of three years that it has to be recovered in the following budget year.

### DEPARTMENTS

The management responsible for an operation program or a group of related activities within a functional area. The County has multiple departments for the operations of the County; whereas, there may be multiple departments held within an operating segment.

### EXPENDITURES/EXPENSE

The use of financial resources for cash outflows or transactions resulting in current or future cash outflows.

### EQUITY IN TANGIBLE CAPITAL ASSETS

Equates to the net book value (NBV) of the Tangible Capital Assets less the related capital debt. This is included within the County's Accumulated Surplus

### FEES FOR SERVICE

User charges and fees for services provided by the County.

### FUND ACCOUNTING

The use of specific groups of funds/activities which are a self-balancing set of accounts containing inflows and outflows; which is tracked and funded separately. The County's fund accounting includes the Operating (general) funds, the Capital funds, and the Reserve funds.

### GENERAL OPERATING FUND

The general operating fund provides the resources necessary to complete the day-to-day activities of a municipality, which includes operational and administrative activities.

### GOVERNMENT GRANTS

A monetary contribution by a governmental unit to another governmental unit. Typically, the grants received by the County are from larger governmental bodies that are higher forms of government (i.e., Provincial and Federal).

### INFLATION

The increase in price levels/costs caused by economic factors.



INFRASTRUCTURE

The facilities and assets used by the County to deliver the programs and services. These include (but are not limited to) roads, bridges, land, and buildings.

INTERIM BUDGET

The Interim Budget is the budget that is developed and approved in advance of the start of the budget year (typically approved in December in the year preceding the budget year). The Interim Budget is replaced with the development of the final budget is developed and approved.

OPERATING BUDGET

The planned operating revenues, expenditures and transfers required to deliver the programs and services that the County provides.

RATEPAYER

An individual or organization that owns assessable property in the County and as such, is taxed by the County.

REEVE

The Reeve is the chief elected official and a member of Council. The position of Reeve is elected at the County's Organization Meeting from within the elected Councillors.

RESERVES

The operating and capital funds held for a future use or for a specific purpose. These reserves are typically held for multiple budget years.

REVENUES

The financial resources received from cash inflows or transactions resulting in current or future cash inflows.

SPECIAL TAX LEVY

The tax levies issued for specific purposes under Section 382 of the MGA. The County currently utilizes the levies for fire protection, recreational areas, and waterworks.

SEGMENT

The overall management responsibility for an operation or a group of related operations within a functional area. An operating segment may include multiple departments.

SURPLUS

The result of revenues/transfers in exceeding the expenditures/transfers out (revenues greater than expenses). Surpluses are often transferred to reserves at the yearend to be used in future budget years.

TANGIBLE CAPITAL ASSETS

A capital asset that has a physical form. These tangible capital assets (TCA) include (but are not limited to) land, infrastructure, vehicles, and equipment.

TAXES

The compulsory charges levied by a government for the purpose of financing services for the common benefit of the government's ratepayers.

UNRESTRICTED SURPLUS

The accumulation of the County's surpluses from year-to-year that have not been specifically restricted (either internally or externally).





## Glossary of Common Acronyms

### ORGANIZATIONS:

ACFA - Alberta Capital Finance Authority  
 AHS - Alberta Health Services  
 CARLS - Chinook Arch Regional Library System  
 FCSS - Family and Community Support Services  
 NFPA - National Fire Protection Association  
 RCMP - Royal Canadian Mounted Police  
 SAEWA - Sothern Alberta Energy from Waste Association  
 TVRWC - Twin Valley Regional Water Commission  
 VCHWF - Vulcan County Health and Wellness Foundation  
 VBDS - Vulcan Business Development Society

### GRANTS:

ACP - Alberta Community Partnership grant  
 ASB - Agricultural Service Board grant  
 CCBF - Canadian Community-Building Fund grant  
 LGFF - Local Government Funding Framework  
 (Operating and Capital - replacing MSI in 2024)  
 MSI - Municipal Sustainability Initiative grants  
 (Operating and Capital)

### OPERATIONS:

AOS - Accumulative Operating Surplus  
 ARO - Asset Retirement Obligation  
 A/P - Accounts Payable  
 A/R - Accounts Receivable  
 CAO - Chief Administrative Officer  
 COLA - Cost of Living Adjustment  
 CPO - Community Peace Officer  
 DIP - Designated Industrial Property  
 FTE - Full-Time Equivalent  
 GIS - Geographical Information Systems  
 HR - Human Resources  
 IT - Information Technology  
 KPI - Key Performance Indicator  
 MDP - Municipal Development Plan  
 MGA - Municipal Government Act  
 M&E - Machinery and Equipment  
 NBV - Net Book Value  
 PERC - Provincial Education Requisition Credit  
 TCA - Tangible Capital Assets

### OTHER:

FSD&A - Financial Statement Discussion and Analysis  
 PSAS - Public Sector Accounting Standards





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