



**MEETING DATE: MARCH 14, 2025**

# **REQUEST FOR DECISION - TO COUNCIL**

## **SUBJECT**

**2025 OPERATING BUDGET AND 2026 TO 2028 OPERATING PLAN V4**

## **RECOMMENDATION**

THAT the County of Vermilion River approve the 2025 Operating Budget and 2026 to 2028 Operating Plan v4 as presented.

## **DETAILS**

Background: Per the Municipal Government Act, section 283 (1)(2): requires “each municipality must prepare a written plan respecting its anticipated financial operations over a period of at least the next three financial years.”

Discussion Point:

Lloydminster Regional Health Foundation Funding request as of 17 July 2024:

- Currently we are looking at replacing one of the current U/S machines at the Lloydminster Hospital that is well past its life expectancy. This comes with enhanced technology that better allows use on bariatric patients as well as increased portability. The price tag on this item is roughly \$200-\$250K
- With nearly 1,000 babies being born at the Lloydminster hospital each year, we have committed to fundraise \$40K per year for the next three years to help replace the current Panda warmers that are at end of life. (each baby utilizes these upon birth) They currently need to replace 10 at \$40K each.
- We are implementing a new mental health and wellness app that is proactive for teens and individuals of all ages to access a variety of medical topics. This is a proactive approach for individuals to seek and be advised by medical professionals. The segments on the app are going to be done by local healthcare professionals (doctors, dentists, nurses, dieticians, exercise therapists etc.)
- We continue to raise funds to have permanent mental health beds right here in Lloydminster
- We would like to continue to fund the Border bridge counseling service that has helped bridge the gap for those requiring financial assistance in accessing counselling



services. This program has been instrumental and had huge usage numbers. (This program cost \$72,000.00 to run annually)

- Planning on helping with professional Development for nurses in the ER, helping to decrease wait times and increase their knowledge of Emergency situations.
- Expansion and relocation of chemotherapy department in the next several years
- Recent Air filtration upgrade to the Pioneer House and lodge (We have been approached to help fundraise for an expansion and upgrade to the Pioneer Lodge as well)
- Each September we are given a new capital request list with items we are requested to fundraise for, so that new list should be coming out in the near future as well.
- We continually advocate for larger ticketed items such as an MRI, third OR and new long term care expansion

#### General Adjustment:

- Education requisition increased by over 10 percent from 2024 (\$6,712,930.00 to \$7,426,290.00). Increased 2026 to \$7,900,000.00 and from 2027 onwards to \$8,000,000.00.
- Increased Designated Industrial Properties requisition from \$73,850.00 to \$80,000.00.

#### Corporate Services:

- Increased interest income by \$200,000.00 in 2025, \$88,000.00 in 2026 onwards.
- Increased bank charges by \$72,000.00 to reflect the interest paid on Deferred Funds, Reserves and the Gas department.
- Decreased legal fees under taxation by \$150,000.00 for 2025 onwards with inflation increase.
- Received Grant to hire Economic Development Officer of \$90,000.00 for 2025. Increased wages by \$66,000.00 for 2025 to 2027. No change in 2028 as was already in the budget.
- Increased withdraw from Mill Rate Stabilization Reserve in 2026 and 2027 by \$67,000.00 due to Economic Development Officer.

#### Planning and Community Services:

- Adjusted Vermilion Senior housing to requisition amount of \$935,000.00 based on percentage split as in 2024 (80.69 per cent)
- Put in Vermilion Health Care Providers Attraction and Retention of \$26,000.00 for 2025 onwards.



- Decreased the withdraw from reserve for recreation by \$200,000.00 due to less payout for Community Agreements in 2025.
- Put in the assumption for Marwayne debenture of \$500,000.00 starting in 2026 repayment.

#### Protective Services:

- EC911 increased from \$55,000.00 to \$65,392.00, adjusted with inflation
- Increased tower repairs by \$25,000.00 for 2025 based on actuals for 2025. Reduced back to \$20,000.00 with inflation for 2026 onwards.

#### Public Works:

- Organization Chart change saw a decrease in wages of \$15,000.00 for 2025 and reflected onwards.
- Adjusted LGFF Capital Funding in 2027 to \$3,286,158.00, 2028 to \$3,301,396.00 and 2029 onwards to \$3,000,000.00 due to Provincial Budget 2025 projection.
- Equipment replacement schedule was updated with pricing.

## **10 DECEMBER 2024**

#### Adjustments General:

- Increased wages in all departments due to Cost-of-Living Allowance.
- Increased withdraw from Contingency Reserve by \$120,000.00 for 2025, by \$200,000.00 in 2026, and by \$50,000.00 for 2027.
- Increased taxation from 2026 to 2028 from three per cent to 3.5 per cent.

#### Corporate Services:

- Increased penalty income by \$50,000.00 for 2025 and future years.
- Decreased general expenses by \$30,000.00 for 2025 and future years.
- Decreased taxation expense by \$70,000.00 for 2025 and future year.
- Removed \$250,000.00 reserve contribution for supplementary taxation income. Income has not been accounted for.



#### Public Works:

- Increased budget requisition and expense for Vermilion River Regional Waste Management Service Commission by \$15,726.00. \$0 effect on General Taxes.
- Increase gravel hauling by \$100,000.00 for 2025 and future years.
- Added Oiled Road program \$300,000.00 for 2025 and future years.
- Added \$210,000.00 for the oiled road program for Hamlet/Multi-Lot. Funds taken from Capital Hamlet Multi-Lot Div 3, 4 and 5 Reserve. \$0 effect on General Taxes. Reserve breakdown attached.

### **18 NOVEMBER 2024**

#### Discussion:

#### Agriculture:

- Decrease grant income from ALUS by \$10,000.00 as Flagstaff will be Administering their own ALUS program.
- Increase Hamlet Beautification by \$5,000.00 as per Policy AG014.
- Increased equipment purchases and withdrawal from Reserve by \$7,000.00 for drone purchase in 2025.

#### Corporate Services:

- Increase Gas Contribution by \$10,290.00 to agree with Gas Budget for 2025 to 2028.
- Decrease wages and benefits in 2025 by \$51,960.00 due to delay in hiring Records Management Position.
- Increase Taxation expense and withdrawal from Reserve by \$300,000.00 to cover cost of Assessment appeals for 2025 to 2028.

#### Planning and Community Services:

- Increase funding to Libraries by \$10,000.00 starting in 2025 onwards.
- Doctor recruitment for Vermilion – unknown.



#### Protective Services:

- Decreased RCMP cost for 2025 by \$139,407.00 due to RCMP Provincial Policing Freeze per Minister.

### **28 OCTOBER 2024**

#### Discussion Points:

- Agriculture
  - More mowing
  - Dandelion Control
- Protective Services
  - Dog Control options
- Planning and Community Services
  - Reserve contribution to Capital funding for Senior Housing
    - Amount to Contribute to reserve – currently \$50,000.00 annually in budget.
    - Split 50 per cent with Health Initiative reserve and Senior Citizen Initiative
  - Debenture payment for Marwayne
- Legislation
  - Elected Official training could be funded from the Legislation Reserve.

#### Highlights:

#### General Assumptions for 2025 Budget and 2026 – 2028 Plan:

- Base wages were not adjusted for Cost-of-Living Adjustment assumption.
- All expenses were adjusted for inflation at two per cent for 2026 to 2028.
- One per cent tax increase on 2024 results in \$281,205.00 increase in general tax revenue.
- Refer to the Council Meeting on the April 9, 2024 regarding 2025 to 2028 Operating Plan.



#### Legislation (Council):

- Increased mileage by \$12,600.00 to \$68,600.00 in 2025 to compensate for the additional travel Council undertakes during the year.
- Decreased Public Relations by \$60,000.00 to \$25,000.00 for 2025 to reflect no 60 Anniversary and RMA Zone Golf Tournament.
- Increased Membership and Registration by \$20,000.00 for 2025 and onwards.
- Added training to Council Budget for newly Elected Council in 2025 of \$10,000.00.

#### Corporate Services:

- Removal of inter-departmental transfer for admin cost, except for GAS's contribution.
- Decreased Interest Income on investment by \$112,000.00 to \$490,000.00 for 2025. 2026 to 2028 kept at \$252,000.00.
- Kept Gas Contribution at \$641,000.00.
- Maintained taxation expenses at 2024 rate for Designated Industrial Property review and Legal expenses.
- Increased Economic Development expense for projects and salary by \$123,920.00 to \$215,450.00 in 2025, increase by \$50,309.00 in 2026, decreased by \$49,685.00 in 2027 and increased by \$15,000.00 in 2028.
- Economic Development increase in expenses is compensated by Grant income for Economic Development. Leaving a net cost to general taxation of \$73,920.00 for 2025 and by 2028 fully funded by general taxation.

#### Protective Services:

- Fire Levy increases by \$158,234.00 to \$1,455,908.00 in 2025.
- Fire Chief and Operations Officer wages are split 50/50 between Fire and Enforcement.
- Increase to Repair and Maintenance on Equipment by \$64,800.00 to \$124,800.00.
- Increased Provincial Policing Cost by \$139,407.00 to \$836,441.00 in 2025 due to new agreement.

#### Agriculture:

- Reallocated \$25,000.00 of wages to Environment out of General wages in 2025 onwards.
- Increase contribution to Facility reserve by \$30,000.00 in 2025 onwards.



#### Planning and Community Services:

- Planning project increased due to IDP and ICF.
- Estimated that Senior Housing would increase by \$173,611.00.
- Under Community Services the following service levels will be funded out of general taxation: FCSS (\$38,621.00), Cemetery (\$11,650.00), Communication (\$60,000.00).
- Recreation expenses include expense per agreements, Northern Lights Library Levy, Maintaining County Parks, Debenture payment and Capital contribution to Recreation facility will now be withdrawn from General Recreation Reserve.
- Funding expenses for Recreation Facility Capital are estimated at \$250,000.00 annually.
- Funding for debenture payment is currently at actual rate payments. If we want to increase debenture payment to a total of \$300,000.00 annually, recreation levy will need to increase to allow for a buildup of the reserve.
- To maintain a stable Recreation levy, propose that the contribution to Recreation Reserve be the Recreation levy to rate payers. Proposed at \$1,900,000.00 for 2025 onwards, increase of \$231,000.00.
- Additional contributions to Libraries being funded out of LGFF operation grant if available.

#### Public Works:

- Moved any expenses relating to the repairs and maintenance of equipment to vehicle pool section.
- Increase staffing for one additional permanent employee as Equipment Operator.
- Increase the revenue on Sale of Water by six per cent each year to allow utilities to be self-sufficient for expenses.

Relevant Policy/Legislation Practices: As per MGA section 243 and 283

Desired Outcome (s): THAT the County of Vermilion River approve the 2025 Operating Budget and 2026 to 2028 Operating Plan v4 as presented.

Response Options: THAT the County of Vermilion River approve the 2025 Operating Budget and 2026 to 2028 Operating Plan v4 as presented.

## IMPLICATIONS OF RECOMMENDATION

Organizational: Operating direction to Administration



Financial: Operating Budget for 2025

Communication Required: Publish the Budget on County's website

Implementation: Operating Budget for 2025

## ATTACHMENTS

2025 Interim Budget v4

Department of Agriculture v4 2025

Department of Corporate Services v4 2025

Department of Planning and Community Services v4 2025

Department of Protective Services v4 2025

Department of Public works v4 2025

Legislation v4 2025

Taxation and General v4 2025

Overall Tax Rate Increase v4 2025

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DATE: 10 March 2025