

# COUNCIL REQUEST FOR DECISION

**MEETING DATE:** December 12, 2022

**SUBMITTED BY:** G. Peskens, Chief Financial Officer

**PREPARED BY:** L. Padgham, Manager, Financial Planning & Budgets

**REPORT TITLE:** Request for Approval of the 2023 Operating and Capital Budgets

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## EXECUTIVE SUMMARY

Over the course of several Council meetings, the 2023 operating and capital budgets were presented to Council. Through collaborative discussions, the budgets were refined and are now ready to be adopted. Recommendations are provided for Council to adopt the 2023 operating and the 2023 capital budgets, and to accept the associated charge schedule, the 2024-2025 forecasted operating budget and the 2024-2032 forecasted capital budget.

## RECOMMENDATION

That Council approves the 2023 Operating Budget of \$112,485,479.

That Council approves the 2023 Capital Budget of \$34,491,497.

That Council approves the 2023 and 2024 Capital Project #089.205 Engine – North Fire Station, for a total of \$1.2M.

That Council approves in principle the 2024 – 2025 Forecasted Operating Budget and the 2024 – 2032 Forecasted Capital Budget.

That Council receives the 2023 Charge Schedule as information.

## BACKGROUND / RATIONALE

Each year, City Administration prepares a three-year operating budget and a ten-year capital budget driven by priorities set in the Council's Strategic Plan, Corporate Business Plan, Department Service Profiles, and the annual Budget Survey. Administration has presented the proposed budget to Council over the course of the budget deliberation meetings. Council provided feedback and direction and the attached budgets are the result of this collaboration.

The 2023 budget includes the following service level adjustments:

- FCSS Community Navigator
- RCMP School Resource Officer
- RCMP Police and Crisis Team
- Treaty, Truth and ReconciliACTION
- Outdoor Winter Amenities

The 2023-2032 Capital Budget includes \$120K (2023) for a down payment on a Fire Engine and \$1.08M (2024) to pay the remaining balance. Administration is requesting approval for years 2023 & 2024 to begin the process of purchasing the Fire Engine.

Recently, Administration was advised that the Alberta Capital Region Wastewater Commission increased the purchase price by \$0.03 per cubic metre for wastewater, therefore this increase was flowed through to the wastewater consumption



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fee. This change has been reflected in the Fees Bylaw prior to consideration of 2<sup>nd</sup> and 3<sup>rd</sup> Readings and in the attached 2023 budget.

Administration will report back to Council in the Spring of 2023 with any required budget adjustments due to new information prior to the finalization of the Property Tax Rate bylaw.

## **STRATEGIC / RELEVANT PLANS ALIGNMENT**

2023 – 2026 City of Leduc Strategic Plan

2023 – 2026 Corporate Business Plan

2023 Budget Survey – General Population

## **ORGANIZATIONAL IMPLICATIONS**

### **ADMINISTRATION:**

Not applicable

### **RISK ANALYSIS:**

Not applicable

### **FINANCIAL / LEGAL:**

The Municipal Government Act, RSA 2000, Chapter M-26, as amended, provides that each Council must adopt an operating budget for each calendar year (s.242(1)) and that each Council must adopt a capital budget for each calendar year (s.245).

The 2023 – 2025 City of Leduc Operating Budget attached shows revenue of \$112,485,479 for 2023; \$120,033,125 for 2024; and \$126,483,817 for 2025.

The 2023-2032 Capital Plan attached shows a total 2023 budget of \$34,491,497. The ten-year capital plan is \$268,226,825 with \$60,210,000 unfunded. Unfunded projects are projects that have been flagged for future consideration but are not considered approved at this time.

### **IMPLEMENTATION / COMMUNICATIONS:**

The 2023 approved budget document will be available on the website once it is finalized in early 2023. This document will be submitted to the Government of Finance Officers' Association (GFOA) for the Distinguished Budget Presentation Award.

### **ALTERNATIVES:**

Council could choose to adopt a different budget. This would require a special Council meeting as an interim budget must be approved by December 31, 2022, for 2023 operations.

## **ATTACHMENTS**

Attachment A – 2023-2025 City of Leduc Operating Budget Summary

Attachment B – 2023 – 2032 City of Leduc Capital Budget

Attachment C – 2023 Charge Schedule