

BUDGET 2023



SASKATCHEWAN



2023 Budget

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Introduction

The impact of the COVID-19 pandemic has lessened throughout the year, but it has still been a challenging year from an economic and financial point of view. Operational efficiencies implemented in the past three years have allowed the City to minimize the impact to the taxpayer over the last few years. The City continually seeks to implement efficiencies as part of our everyday practices to hold the line on expenses and to continue to do more with less.

While an Economic Development Manager position was created recently using existing City funds, there have been no net new staff increases in over three years. This year Council has agreed to add a GIS Co-ordinator for 2023 to create a foundation for future efficiencies and savings. Taking a long-term view, it is critical we digitize and automate our technical City information, which largely happens through the GIS and asset management positions. With pending City retirements over the next five years, we are at risk of losing significant knowledge and information that has never been documented in a computer system.

In 2023 and beyond, we face uncertainty with the ongoing recovery from the pandemic, and we will address rising police costs first encountered last year. A significant amount (\$354,500) of RCMP costs were delayed last year and have been accounted for in the 2023 budget. The previous and current RCMP cost increases amount to a 2.56% increase for the 2023 budget. In addition, our budgeted funding for Municipal Revenue Sharing from the province has dropped slightly due to a drop in the overall revenue sharing pool, and the slight decrease in the City population as per the 2021 census. This amounts to an additional 1.15% increase in the overall 2023 proposed rate increase. Wages and Benefits, which are the largest single cost items for the City, have increased by an equivalent of 2.81% after increasing our estimated internal expected vacancy rate. Waste Management costs related to the Loraas contract have also gone up 6.8% for 2023.

Perhaps the biggest issue we are now facing is the emergence of an inflationary fiscal environment, a situation that has not been faced in Canada for over 30 years. With general inflation running over 6% in 2022 and no significant reduction expected in the near term, the City will need to meet this cost challenge through new operational efficiencies, service reductions, or tax increases. With the approval of the 5.99% rate, which includes a general increase of 4.99% plus a 1% tax increase to be dedicated to capital, there is no increase to account for inflation for the year.

We have worked to mitigate tax increases for 2023. For example, we have increased our internal vacancy rate to reduce our overall increase in Wages and Benefits and we did not increase the Recreation & Cultural Capital Facilities Levy. In addition, we continue to delay fleet or equipment purchases where possible and we have planned to lease some of our largest dollar equipment to reduce the pressure to find funding in the short term.

With respect to Utilities, Council has approved a 4.3% increase for the Water Services utility. Both material and contract costs are up significantly in addition to smaller increases in Wages and Benefits. For Sanitary Sewer services Council approved a 5.5% increase to account for material and cost

increases with 2% of that increase directly related to the foregone increase from last year for the multi-million dollar Sanitary Sewer Force Main project.

Utility Services face the same wage increases and inflationary pressures that are impacting the property tax side. Our path forward will be to continue to find operational efficiencies while implementing a modest tax increase. The approved budget is a fiscally responsible choice with the intention of maintaining our financial reserves, reducing our exposure to rising interest rates, and to deliberately minimize the amount of future borrowing required for the short-term horizon.

For the upcoming year, the City will:

- focus on finding operational and capital cost efficiencies within City operations through continuous improvement and proactive planning;
- increase investing in infrastructure through a 1% increase to taxes dedicated to capital, through a 16.7% increase to the Underground Pipe and Asphalt Replacement Program specifically dedicated to sidewalk renewal (\$475,000 for 2023). This will require a minor change to the UPAR bylaw.
- continue investing in the Underground Pipe and Asphalt Replacement Program which has a budget of \$3.6 million for 2023; and
- improve citizen engagement and understanding of the City's operations and financial state through increased communication, education, and outreach.

Overall, the economic climate for the City remains uncertain, but with expectations for greater stability moving forward. The City is focused on maintaining citizen services, promoting economic development, and improving operating costs while continuing to minimize spending.

2022 Fiscal Year

While the COVID-19 pandemic has continued to negatively impact our operations, the impact has been declining throughout the year. Revenues have largely tracked inline with budget forecasts and expenses have remained below budget throughout the year. Supply chain delays have been decreased overall, although larger equipment or unique items can still face significant sourcing and delivery delays. While learning from our recent experiences working through the pandemic, we have been able to mitigate the decline in citizen-driven revenues and hold the line on costs.

2022 Budget and Beyond

Recreation & Cultural Capital Facilities Levy

The Recreation & Cultural Capital Facilities Levy (RCCF) was started in 2006 and applies to all property owners in North Battleford. The RCCF levy now generates approximately \$1.499 million annually to pay for the debt associated with the construction of the InnovationPlex, Curling Rink, and the Dekker Center. One of the financial challenges is to communicate the full picture on payments and levies taken on the InnovationPlex. The anticipated RCCF levy for 2023 is \$1,499,600, with total interest and principal payments estimated to be \$998,198 for the year. The schedule highlighting the total amounts paid and received is as follows:

Recreation long-term borrowing				
Year	Levied	Loan principal and interest repayments	Surplus / (Deficit)	Total
2006	381,588	-	381,588	381,588
2007	381,603	-	381,603	763,190
2008	776,729	-	776,729	1,539,919
2009	773,656	-	773,656	2,313,575
2010	772,172	-	772,172	3,085,747
2011	1,367,987	45,471	1,322,516	4,408,264
2012	1,375,274	1,524,849	(149,575)	4,258,689
2013	1,354,977	2,141,801	(786,825)	3,471,864
2014	1,365,489	2,096,283	(730,794)	2,741,070
2015	1,416,413	2,054,058	(637,644)	2,103,426
2016	1,453,396	2,123,240	(669,843)	1,433,583
2017	1,440,275	2,305,793	(865,518)	568,065
2018	1,352,446	2,250,343	(897,898)	(329,833)
2019	1,462,714	2,193,313	(730,599)	(1,060,432)
2020	1,463,227	2,139,062	(675,835)	(1,736,268)
2021	1,485,303	2,079,006	(593,703)	(2,329,971)
2022	1,499,601	1,442,847	56,754	(2,273,217)
2023	1,499,600	998,199	501,402	(1,771,815)
2024	1,499,600	974,422	525,179	(1,246,637)
2025	1,499,600	949,050	550,550	(696,087)
2026	1,499,600	924,886	574,715	(121,372)
2027	1,499,600	899,094	600,506	479,134
2028	1,499,600	873,973	625,628	1,104,762
2029	1,499,600	849,429	650,172	1,754,933
2030	1,499,600	824,513	675,087	2,430,020
2031	1,499,600	799,626	699,974	3,129,994
2032	1,499,600	325,835	1,173,765	4,303,759

The above table demonstrates that the levy being generated annually will be sufficient to pay the annual InnovationPlex debt cumulatively by the end of 2026. The increased debt room will allow for future recreational capital planning to be accomplished.

2023 Budget – Targeted Savings and Efficiencies

The 2023 Budget includes targeted dollar savings of \$335,000 on staffing vacancies, an increase of \$135,000 from the previous year and now at a level that presents operational risk. Given previous staffing reductions, our focus in 2023 will be on operational and capital process improvements and efficiencies. Operational efficiencies generally result in increased workload capacity rather than bottom line cost reductions, while capital efficiencies present more opportunities for cost savings. There will be extra effort in 2023 to find new or additional funding sources for both capital projects and operational expenditures. Due to COVID-19 operational impacts and some key staff shortages, a few opportunities noted from the previous budget may continue into 2023. Some of the improvement and efficiency opportunities are noted below:

- a. Landfill Process Improvements and Rates – ensuring the current landfill entrance process captures appropriate revenue. Discussion on current and future rates are planned as part of the budget process.
- b. Septic Receiving Station – the septic receiving station at the Wastewater Treatment Plant has been installed. This process is in the live testing stage now and will be operational in early 2023.
- c. Energy and process assessment – the City previously undertook an energy audit of the InnovationPlex and grant applications were submitted for a major solar project in 2022. Our project was not selected but a revised project application will again be submitted in 2023. With rising energy costs, continuous assessments and improvements remain a priority throughout the City.
- d. Partnership Opportunities – the City is exploring both knowledge and purchasing group opportunities with local and national level groups to reduce overall costs.
- e. Utility Meters – from a customer perspective, the installation project has been completed, although some internal City meters or special cases still await replacement. The final activity is the implementation of a customer-accessible information portal that is targeted for the first quarter of 2023.

2023 Budget – Long Term Planning

Within the 2023 Budget, \$135,596 has been identified to be set aside into a separate reserve/bank account to either purchase new equipment (in the near future) or to replace funds drawn in previous years. This is part of City’s effort to move away from use of outside funding or borrowing, and to eventually become self-sufficient in funding infrastructure as needs arise. The three reserve transfers being made in 2023 are as follows:

1. 2019 Waste Management Loader Purchase \$44,564 per year over 10 years at 6% interest
2. 2021 Fire Department Pumper Truck Purchase - \$300,000. The anticipated repayment amount is \$81,520.77 per year over 5 years at 6% interest.
3. 2021 CSO Vehicle purchase at \$40,500 at \$9,511 per year for 5 years at 6% interest.

Reserve Transfers In

Item	2020	2021	2022	2023	2024	2025
Loader Re-Payment	\$44,564	\$44,564	\$ 44,564	\$ 44,564	\$ 44,564	\$ 44,564
Pumper Truck	\$300,000*		\$ 81,521	\$ 81,521	\$ 81,521	\$ 81,521
CSO vehicle			\$ 9,511	\$ 9,511	\$ 9,511	\$ 9,511
Total	\$344,564	\$44,564	\$135,596	\$135,596	\$135,596	\$135,596

* final cost has not been determined yet

Reserve Transfers Out

Item	2020	2021	2022	2023	2024	2025
Pumper Truck		\$300,000				
CSO vehicle		\$ 45,000				
Total		\$345,000				

Final Fleet Reserve Balance

Item	2020	2021	2022	2023	2024	2025
Open Balance	(\$328,000)	(\$ 16,564)	(\$312,500)	(\$176,904)	(\$41,308)	\$ 94,288
Transfers In	\$ 344,564	\$ 44,564	\$ 135,596	\$ 135,596	\$135,596	\$135,596
Transfers out		(\$340,500)				
Ending Balance	(\$ 16,564)	(\$312,500)	(\$176,904)	(\$ 41,308)	\$ 94,288	\$229,884

The key to achieving the goal in the above table will be implementing a disciplined approach to repaying the amounts drawn down from the capital fund through increases to existing revenue streams.

Divisional Alignment of the City

The City is organized into two major funds (divisions), each with its own separate operating and capital budget. The City also has a third fund, the Underground Pipe and Asphalt Replacement (UPAR) Fund, which was established in 2015. The revenues and expenditures of the UPAR Fund are separately accounted for. The Funds (divisions) include:

- **General Fund**
- **Utilities Fund**
- **Underground Pipe and Asphalt Replacement (UPAR) Fund**

General Fund – Operating

The General Fund Operating includes the revenue and expenses associated with delivering basic City services such as Administrative Services, City Operations, Parks & Recreation Service, Policing, Fire Protection, and Solid Waste Management. The General Fund receives various revenue streams such as general taxation based on assessed property values, government transfers, grants, and taxes in lieu from Government agencies.

General Fund – Capital

The General Fund Capital includes the capital expenses associated with capital purchases of the General Fund, whether they be improvement/replacement of existing assets or purchase of new assets. The General Fund Capital is planned with a minimum five-year horizon with assets funded through reserves (savings) or debt over a minimum five-year period.

For comparison purposes, the financial tables that follow report on proposed 2023 budget amounts, along with 2022 actual and budget figures and 2021 actual figures. Please be aware that the 2021 actual figures were significantly impacted by the pandemic while 2022 actual and budget figures were impacted to a lesser degree.

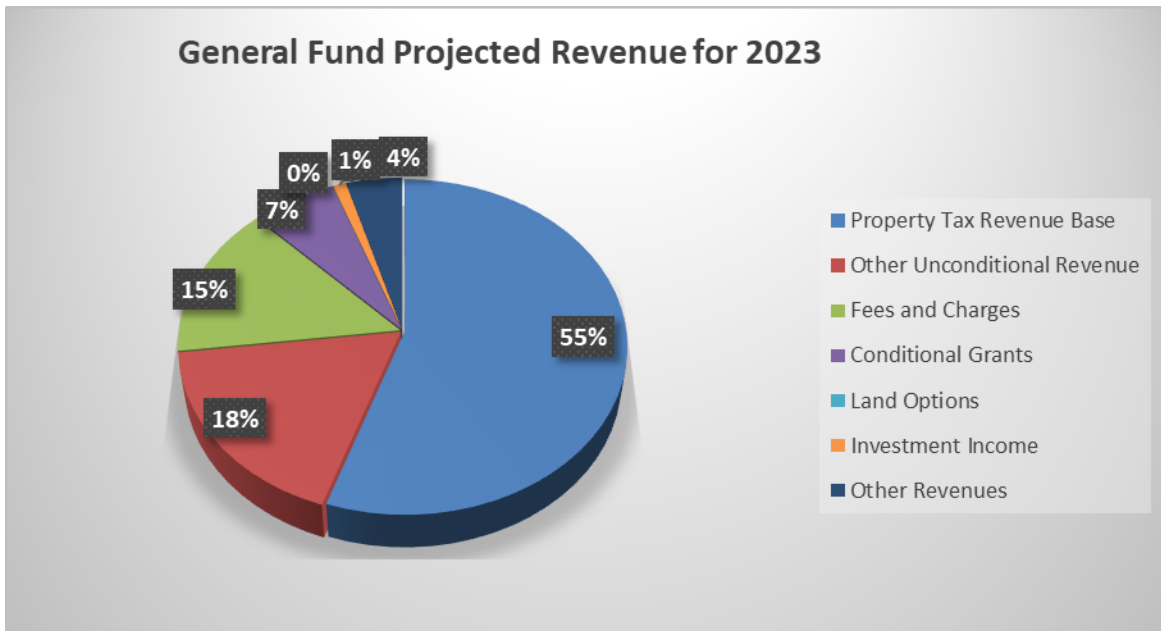
General Fund – 2023 Operating Budget compared to Budget 2022

City of North Battleford General Fund- Consolidated Statement of Operations Forecast for the year ended December 31, 2023

	% change	2023 Budget	2022 Budget	2022 Actual	2021 Actual
Revenues				as of Nov 16, 2022	
Taxes and Other Unconditional Revenue	4%	\$ 24,166,943	\$ 23,197,877	\$ 22,219,291	\$ 22,712,743
Fees and Charges	21%	4,980,250	4,112,900	3,855,594	4,295,751
Conditional Grants	-8%	2,254,079	2,456,401	939,978	1,745,011
Tangible Capital Asset Sales - Gain	0%	-	-	246,220	35,099
Lot Options	-100%	-	3,000	-	1,001,251
Investment Income and Commissions	49%	465,000	312,500	431,539	519,062
Other Revenues	-1%	1,490,434	1,505,071	1,320,215	1,718,756
Total Revenues	6%	33,356,707	31,587,749	29,012,836	32,027,672
Expenses, less amortization					
General Government Services	3%	4,790,629	4,645,112	3,734,639	4,484,145
Policing Services	7%	6,320,084	5,921,515	3,211,620	6,134,248
Fire & Protective Services	4%	3,445,880	3,314,895	2,698,205	3,480,377
Operations Services	15%	6,123,480	5,304,265	4,382,259	7,489,685
Waste Management Services	13%	1,917,359	1,693,526	1,179,742	1,574,143
Planning and Development Services	14%	1,639,339	1,436,156	952,822	1,229,339
Parks & Recreation Services	3%	6,947,500	6,737,070	5,666,169	7,754,045
Total Expenses	7%	31,184,270	29,052,538	21,825,456	32,145,983
Capital Grant		-	-	-	-
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions		2,172,437	2,535,211	7,187,380	(118,311)
Debt principal due in 2023		(1,490,056)	(1,828,289)	(1,675,932)	(2,424,426)
Debt issue and reserve transfer		2,856,215	1,901,674	(2,102,425)	9,087,328
Transfers to Reserves		(135,596)	(135,596)	-	(44,564)
Capital Expenditure		(3,403,000)	(2,473,000)	(5,404,881)	(3,133,996)
Projected Financial Position		\$ 0	\$ 0	(\$1,995,858)	\$ 3,366,031

General Fund Projected Revenue 2023

The General Fund Revenue is funded from a variety of sources not solely from property taxation. In fact, general property taxation only accounts for approximately 55% of the projected revenue collected by the General Fund in 2023. The balance of the revenue comes from provincial transfer payments/grants, user pay fees and charges at City facilities, conditional grants, curbside garbage collection revenues, and others. The following chart illustrates where the funds are expected to come from in 2023.



General Fund Budget Revenue for 2023 compared to Budget Revenue 2022

	2023	2022	%Change
Property Tax Revenue Base	\$ 18,219,663	\$ 17,338,951	5.1
Other Unconditional Revenue	\$ 5,947,281	\$ 5,858,926	1.5
Fees and Charges	\$ 4,980,250	\$ 4,112,900	21.1
Conditional Grants	\$ 2,254,079	\$ 2,456,401	- 8.2
Land Options	\$ -	\$ 3,000	- 100.0
Investment Income	\$ 465,000	\$ 312,500	48.8
Other Revenues	\$ 1,490,434	\$ 1,505,072	- 1.0
	\$ 33,356,707	\$ 31,587,749	5.6

Property Tax Revenue Base – 5.99% (4.99% plus 1% for capital) increase in Property Tax to both residential and commercial property tax levies, abatements, penalties on arrears and trailer levies. This tax increase is implemented to fund a significant cost increase for RCMP policing, reduced Revenue Sharing grants, increased Wage/Benefits and material costs due to an inflationary environment.

Other Unconditional Revenue – includes funds from the Municipal Operating Grant from the province, Saskatchewan Property Management Corporation, SaskPower surcharge, and North Battleford Housing Authority.

Fees and Charges – includes RCMP criminal record checks, Fire Services Fees, Bylaw fines (local and provincial), Aviation Fuel, Cemetery Fees, Waste disposal fees, Building Licenses, Building Permits, Fees from Development Agreements, Rent from City property, Recreational Fees, and Gallery Fees.

Conditional Grants – includes a Provincial Grant for Policing, Waste Management, Handi-Bus, Airport, and Parks & Recreation Services Grants.

Investment Income – includes interest earned on cash reserves of the City.

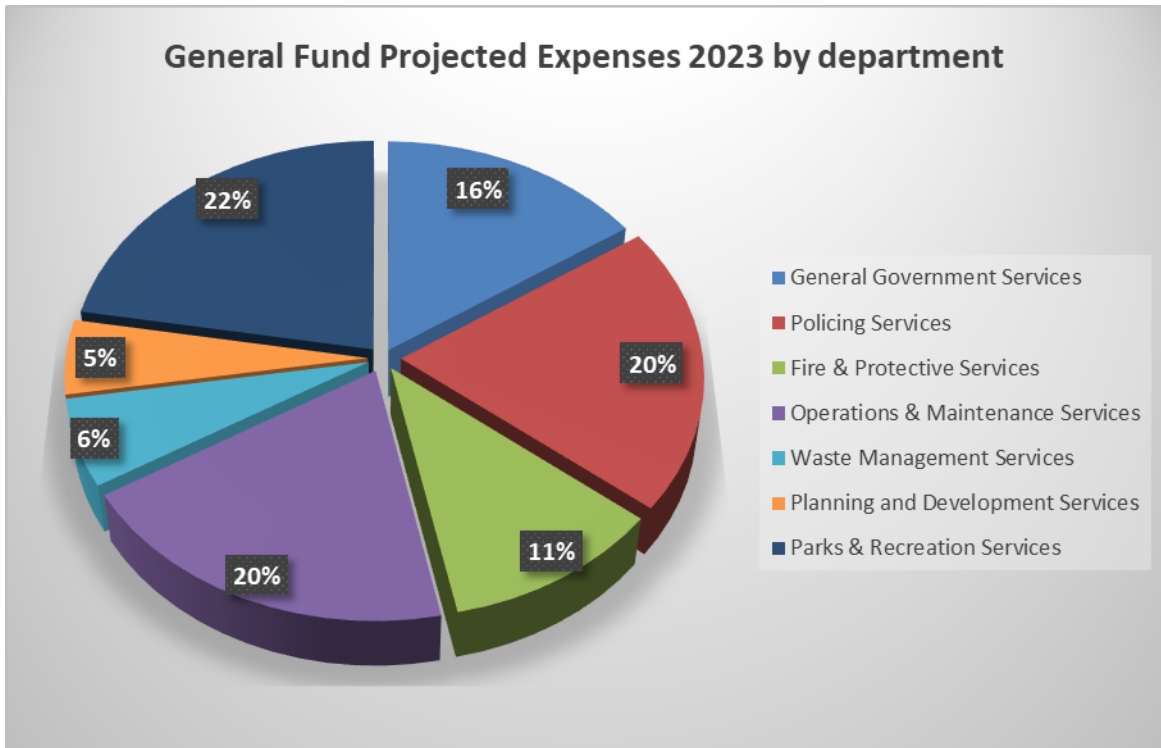
Other Revenues - includes facility rent from the RCMP building and revenue from the residential garbage roll out cart program.

General Fund Projected Expenses 2023

Departmental Expenses

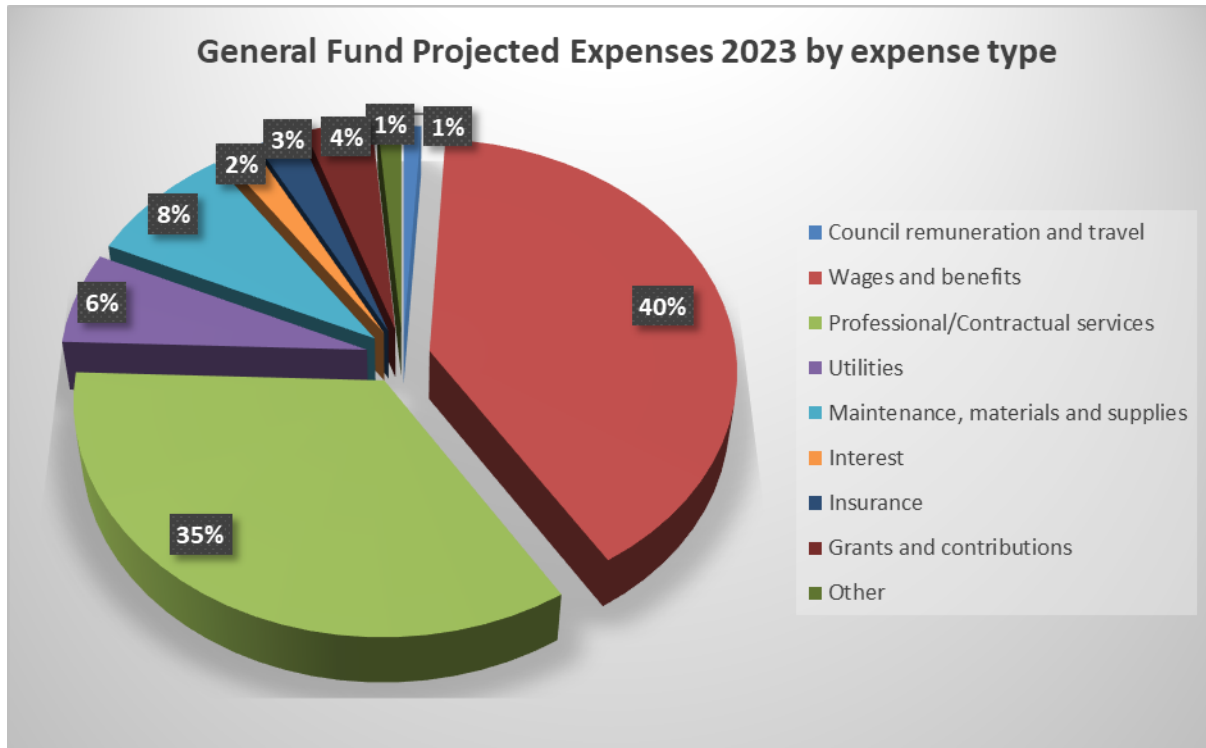
The revenue of the General fund is used to fund the general costs of City Hall, Planning & Development services, Fire and Protective services, the RCMP, City Operations, Waste Management services, and Parks & Recreation services.

The following chart illustrates where the General funds are expected to be spent in 2023 by department.



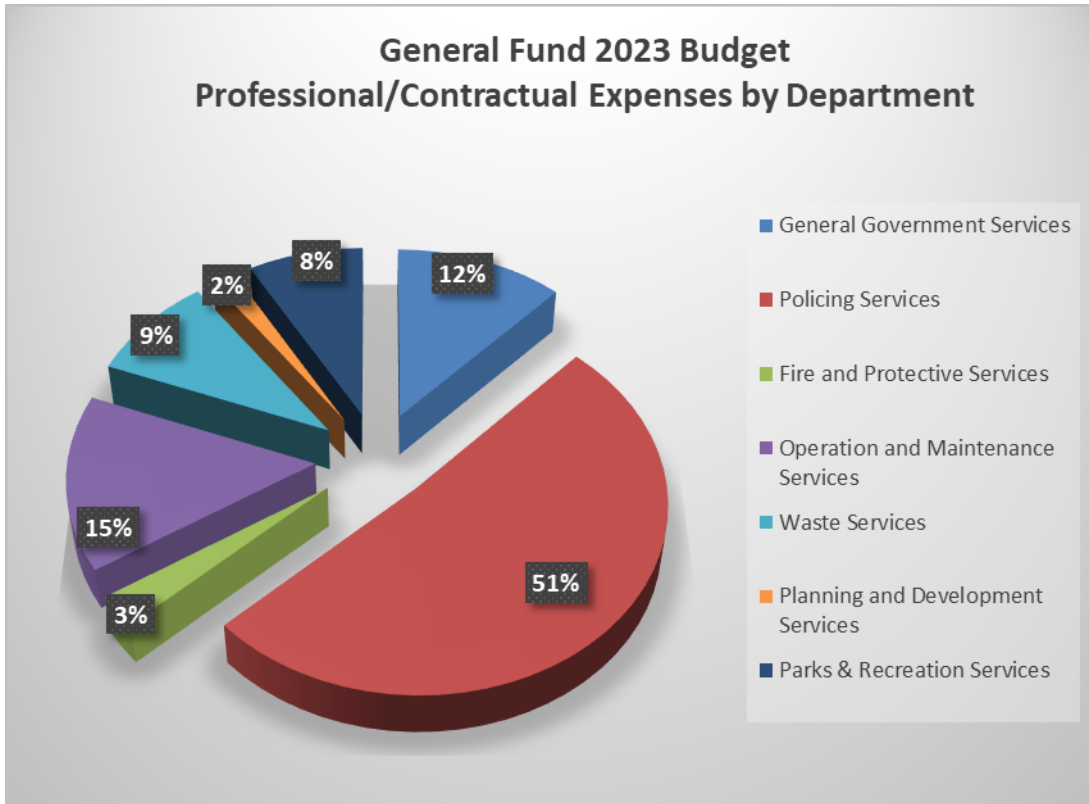
2023 Expense by Type compared to 2022 Budget

The following chart illustrates where the General funds are expected to be spent in 2023 by expense type.



	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
General Fund Expenses - Budget 2023				
Council remuneration and travel	\$ 314,549	\$ 302,693	\$ 259,141	\$ 270,528
Wages and benefits	12,553,592	11,794,840	9,530,612	10,665,140
Professional/Contractual services	10,784,348	9,947,092	6,033,943	9,415,914
Subscription/Memberships	231,724	214,181	91,516	129,736
Utilities	1,979,201	1,829,886	1,682,785	1,868,837
Maintenance, materials and supplies	2,553,086	2,134,542	2,238,724	2,007,729
Travel	88,015	73,899	30,852	11,086
Amortization	-	-	-	5,187,814
Interest	577,065	627,984	498,180	631,211
Allowance for uncollectibles	-	-	(12)	409,137
Insurance	785,099	685,000	660,970	564,183
Medical	6,061	6,030	570	2,475
Grants and contributions	1,206,030	1,323,792	737,084	879,042
Other	105,500	112,600	61,090	103,151
Total General Fund Expenses	\$ 31,184,270	\$ 29,052,538	\$ 21,825,456	\$ 32,145,983

General Fund 2023 Budget - Professional/Contractual Expenses by Department

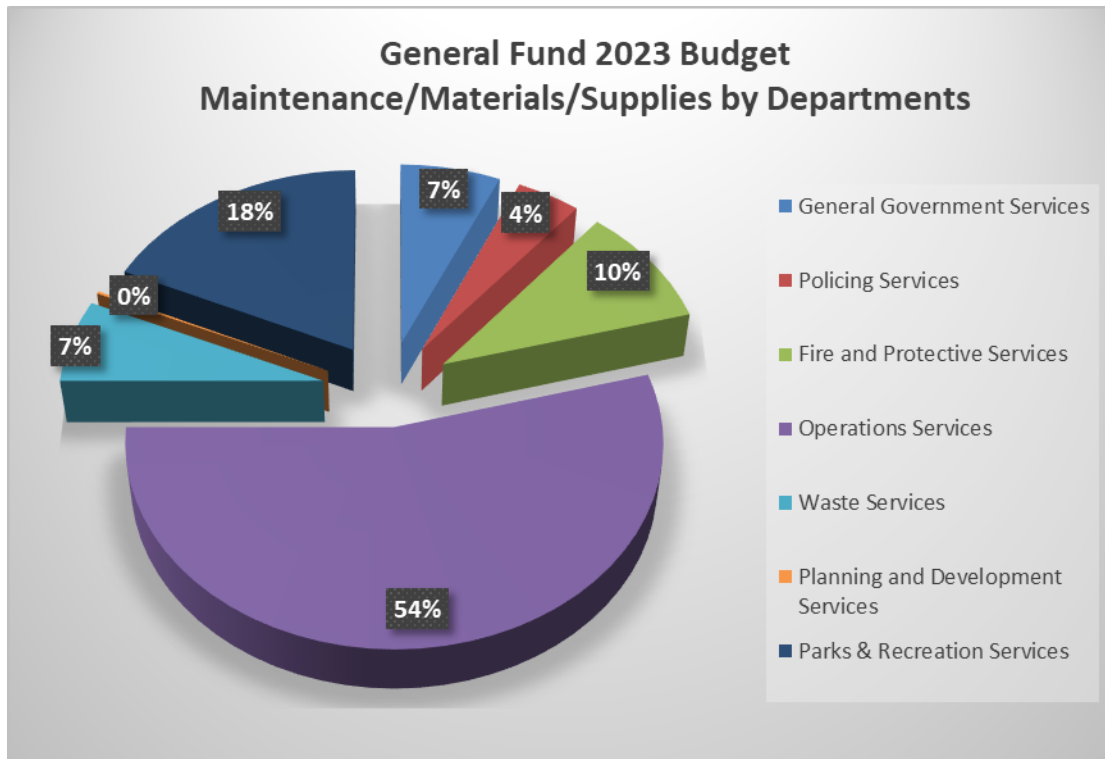


General Fund Professional/Contractual 2023 Budget compared to 2022 Budget

Total budgeted professional contractual expenses 2022	\$9,911,092
Budget 2023 Movement compared to Budget 2022:	
General Government	(12,064)
Policing Services	389,414
Fire & Protective Services	(14,797)
Operations & Maintenance Services	211,758
Waste Management Services	175,441
Planning & Development Services	62,000
Parks & Recreation Services	61,505
Proposed Budget 2023	\$10,784,348

For details of movement, see the individual departments below.

General Fund 2023 Budget - Maintenance/Materials/Supplies by Department

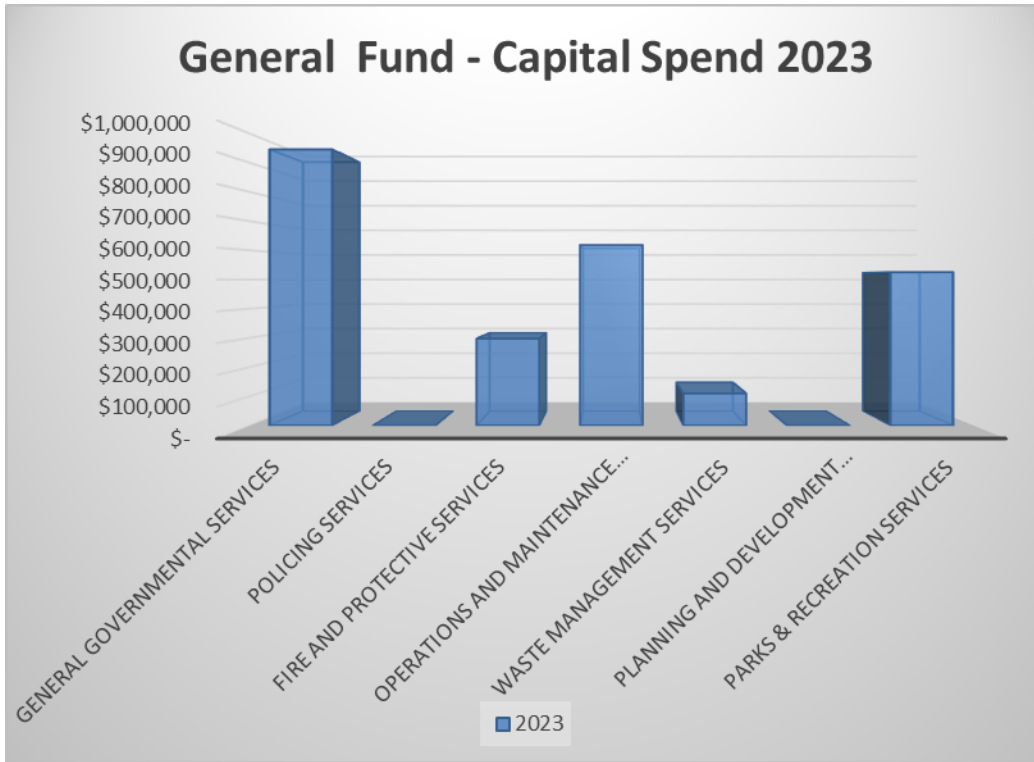


General Fund Maintenance/Materials/Supplies 2023 Budget compared to 2022 Budget

Total budgeted Maintenance/Materials/Supplies expenses 2022	\$2,134,542
Budget 2023 Movement compared to Budget 2022:	
General Government Services	18,520
Policing Services	-
Fire & Protective Services	29,510
Operations & Maintenance Services	336,995
Waste Management Services	12,784
Planning & Development Services	-
Parks & Recreation Services	20,735
Proposed Budget 2023	\$2,553,086

For details of movement, see the individual departments below.

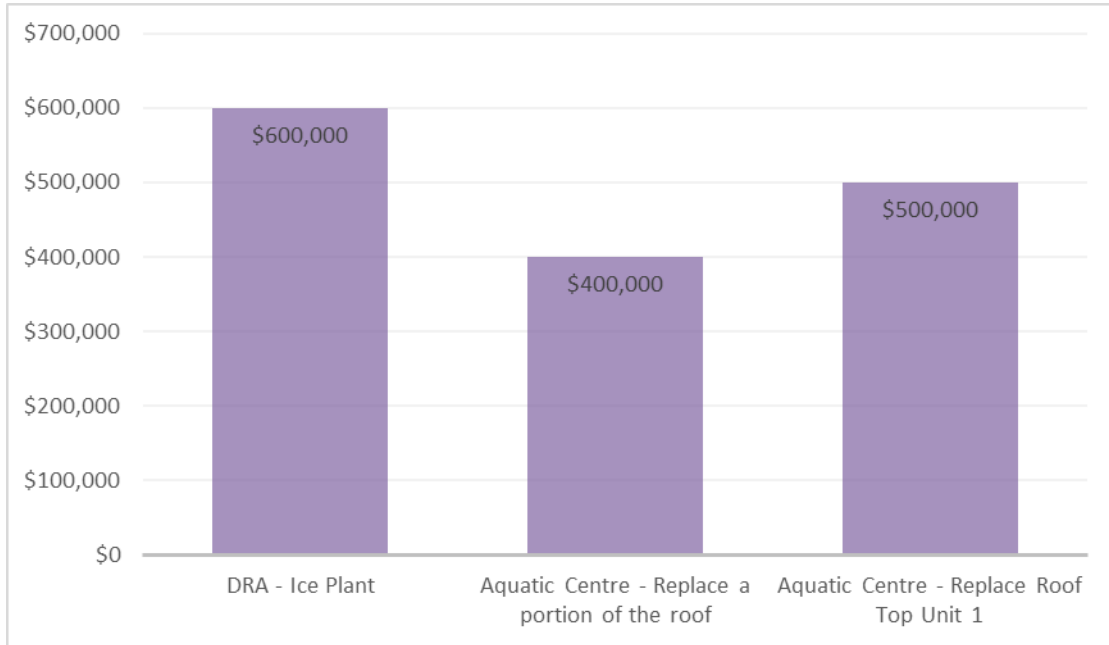
General Fund – Projected 2023 Capital Spend by Department (Funded)



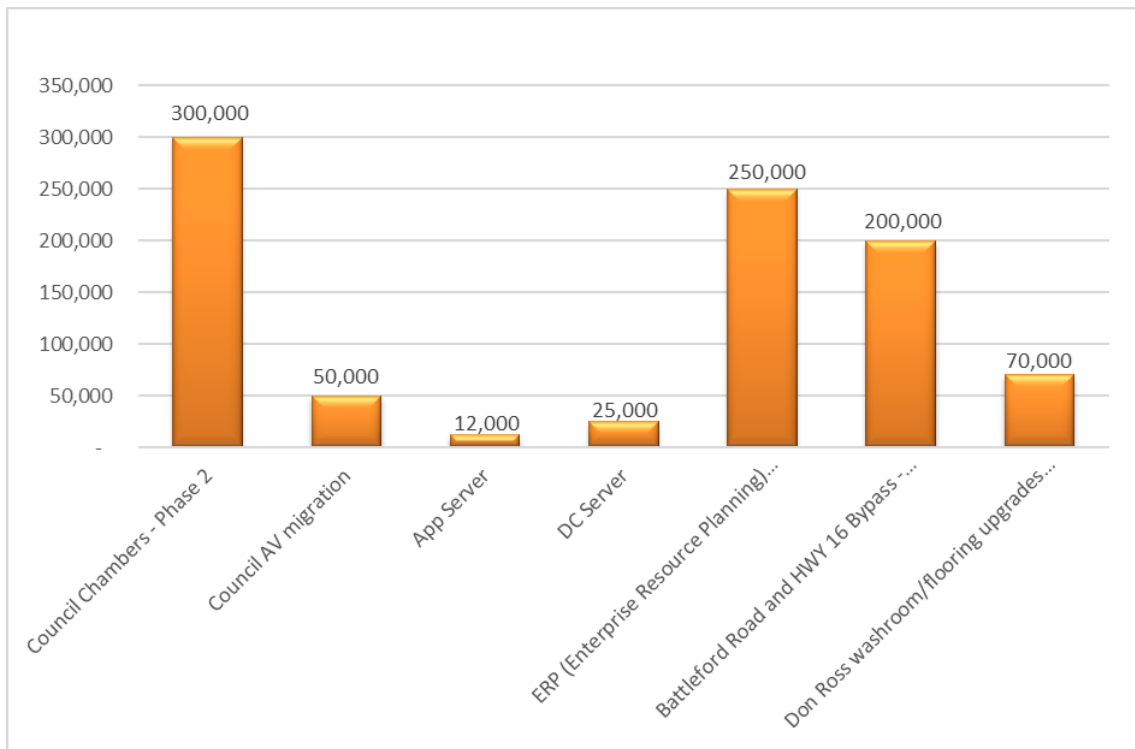
General Fund - 2023 Capital Spend compared to 2022 (Funded)

	<u>2023</u>	<u>2022</u>
General Governmental Services	\$ 945,000	\$ 568,000
Policing Services		
Fire and Protective Services	297,500	
Operations Services	618,000	1,128,000
Waste Management Services	110,000	45,000
Planning and Development Services	-	120,000
Parks & Recreation Services	525,500	414,300
	\$ 2,496,000	\$ 2,275,300

Capital Projects funded by Existing Gas Tax



Projects funded by Reserves



Utilities Fund – Operating

The Utilities Fund Operating includes the revenue and costs associated with delivering potable water to residents and the transporting/processing of sanitary sewer. The Utility Fund revenues rely solely on fees from consumers, whether that be residential, commercial, or industrial city users.

Utilities Fund – Capital

The Utilities Fund Capital includes purchases whether they be betterments/replacement of existing assets or purchase of new assets. The Utilities Fund Capital is also planned with a minimum five-year horizon with assets funded through reserves (savings). Examples of the type of investments include equipment, infrastructure, and plants (or the associated betterment).

Utilities Fund - 2023 Operating Budget compared to Budget 2022

City of North Battleford

Utilities Fund - Consolidated Statement of Operations

Forecast for the year ended December 31, 2023

	% change	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenues					
Fees and charges		\$ 8,436,977	\$ 7,933,834	\$ 6,945,007	\$ 7,914,189
Conditional grants		-	-	-	-
Investment income and commissions		18,000	16,000	18,823	21,450
Total Revenue	6%	8,454,977	7,949,834	6,963,830	7,935,639
Expenses, less amortization					
Water services	9%	3,736,438	3,418,170	3,348,197	4,699,580
Sanitary sewer services	5%	3,040,769	2,897,284	2,322,484	3,802,376
Total Expenses	7%	6,777,207	6,315,454	5,670,681	8,501,956
Capital Grant		-	3,440,340	872,930	7,629,856
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions		1,677,771	5,074,720	2,166,079	7,063,539
Debt principal due in 2023		(1,259,171)	(1,288,871)	(1,104,929)	(955,363)
Debt issue and reserve transfer		1,996,400	4,459,662	(1,102,790)	(6,108,176)
Capital Expenditure		(2,415,000)	(8,245,510)	(4,614,033)	(13,147,467)
Projected Financial Position		0	0	(41,640)	0

Utility Fund - 2023 Projected Revenue compared to 2022 Budget

Utilities Revenue	Projected 2023 Revenue	Budget 2022	Revenue Variance	% Change
Water Fees	\$4,071,821	\$3,844,406	\$227,414	5.92
Sanitary Sewer Fees	4,383,157	4,105,428	277,729	6.76
Total Revenues	\$8,454,977	\$7,949,834	\$505,143	6.35

Utility Fund - 2023 Projected Expense (by Expense Type) compared to 2022 Budget

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Utility Fund Expenses - Budget 2023				
Wages and benefits	\$ 2,870,986	\$ 2,761,999	\$ 2,316,555	\$ 2,709,489
Professional/Contractual services	1,252,251	1,004,647	1,063,414	1,223,910
Subscription/Memberships	26,447	19,257	14,517	17,344
Utilities	756,372	689,060	651,026	701,927
Maintenance, materials and supplies	1,125,050	1,082,400	905,969	1,169,066
Travel	24,612	14,650	9,094	4,019
Amortization	-	-	-	2,018,272
Interest	721,235	742,288	710,106	657,774
Allowance for uncollectibles	100	1,000	-	-
Other	155	155	-	155
Total Utility Fund Expenses	\$ 6,777,207	\$ 6,315,454	\$ 5,670,681	\$ 8,501,956

Utilities Fund 2023 Budget - Professional/Contractual compared to 2022 Budget

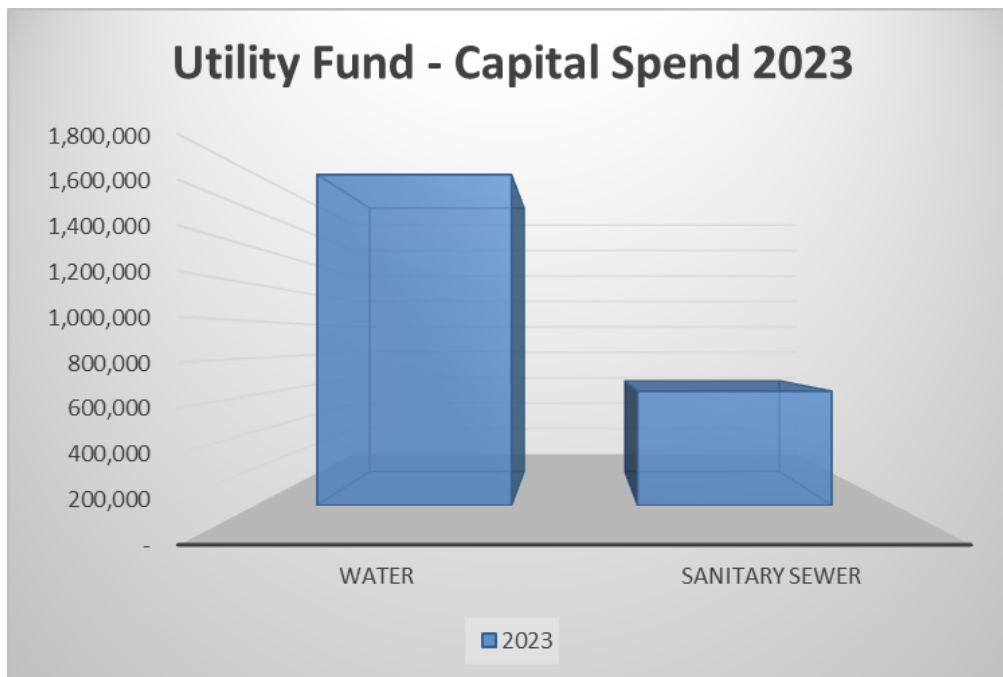
Total budgeted professional contractual expenses 2022	\$1,004,647
Water Services	171,550
Sanitary Sewer Services	76,054
Proposed Budget 2023	\$1,252,251

For details of movement, see the individual departments below.

Utilities Fund 2023 Budget – Maintenance/Materials/Supplies compared to 2022 Budget

Total budgeted Maintenance/Materials/Supplies expenses 2022	\$1,082,400
Water Services	13,800
Sanitary Sewer Services	28,850
Proposed Budget 2023	\$1,125,050

Utilities Fund – Projected 2023 Capital Spend by Department



Utilities Fund - 2023 Capital Spend compared to 2022

	<u>2023</u>	<u>2022</u>
Water	\$ 1,795,000	\$ 990,000
Sanitary Sewer	620,000	7,385,510
	\$ 2,415,000	\$ 8,375,510

Underground Pipe and Asphalt Replacement (UPAR) Fund

The UPAR program was implemented in 2015 to provide clear and predictable funding for the replacement of aging and deteriorating infrastructure. Prior to the UPAR program, projects were funded through either utility rates, or the local improvement process which charges project costs directly to the fronting property owners. The UPAR program collects revenue from all properties through a combination of a frontage-based levy and an infrastructure utility fee.

While the implementation of the UPAR program in 2015 has significantly accelerated the rate of replacement, the challenge of aging infrastructure has not diminished. The life expectancy of underground sewer and water pipes is 50 to 100 years, depending on the type of pipe utilized. The City has an ever-increasing infrastructure deficit. At current funding levels, approximately 1 km per year is being replaced. A replacement rate of 6 km per year would be required just to keep up with the aging that will occur over the next decade.

In 2023, the City plans to continue investment in UPAR with a planned investment of approximately \$5,138,000 overall.

City of North Battleford
UPAR Fund - Statement of Operations
Forecast for the year ended December 31, 2023

	% change	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenues					
Frontage Levy		\$ 1,760,733	\$ 1,600,000	\$ 1,496,321	\$ 1,487,077
Base Utility Fees		1,957,638	1,600,000	1,631,365	1,954,440
					-
Total Revenue		3,718,371	3,200,000	3,127,686	3,441,517
Capital Investment					
Surface		3,111,250	2,902,638	5,239,990	2,240,305
Underground		2,027,600	1,209,704	-	941,811
Total Expenses		5,138,850	4,112,342	5,239,990	3,182,116
Capital Grant		734,000	-	-	-
Surplus (Deficit) of Revenues over Expenses		(686,479)	(912,342)	(2,112,304)	259,401
Carry Over from Previous Year		1,633,895	4,039,426	1,633,895	3,381,170
Carry Over Surplus (Deficit)		\$ 947,416	\$ 3,127,084	\$ (478,409)	\$ 3,640,571

UPAR Fund 2023 Projected Budget:

When the UPAR program was introduced, Administration maintained UPAR revenues and expenses separate from the General Fund and Utility Fund. This was to ensure complete transparency in the program to assure rate payers that the UPAR revenue raised through the frontage base tax and utility billing would always be spent on the projects earmarked during the budget deliberation process. To this effect, the 2023 Projected UPAR budget is as follows:

Carryover Surplus 2021	\$3,381,170
Estimated 2022 revenues	3,492,715
Estimated 2022 expenditures	(5,939,990)
Revitalization grant 2023	734,000
Budgeted Revenue 2023	3,718,371
Projected 2023 Funding	\$ 5,386,266

City Debt

The maximum borrowing limit which was set by the Saskatchewan Municipal Board (SMB) in 2019 was \$55 Million. The projected outstanding long-term debt amount as of December 31, 2022 is \$34.42 Million.

The City will be paying \$2.61 Million in principal debt repayments and \$1.28 Million in interest payments in 2023. The following are details of the projected balance by loan outstanding as of December 31, 2023.

Purpose of Borrowings	General Fund	Utilities Fund	Total
Utilities - New Storm Sewer		\$ 218,000	\$ 218,000
Utilities - New Wastewater Treatment Plant		6,096,000	6,096,000
Utilities - Water Treatment Plant investments		420,000	420,000
General – InnovationPlex (incl. Pool, Field House, Arts Centre, and Curling Rink)	\$6,530,000		6,530,000
General - Land Development	1,783,000		1,783,000
General - Road Infrastructure	1,708,000		1,708,000
General – Parks & Recreation Facilities Betterments	610,000		610,000
General – Land Acquisitions	2,438,000		2,438,000
General – Waste Facility Equipment	381,000		381,000
General – Road Infrastructure	381,000		381,000
Utilities – Water Well		381,000	381,000
General – Parks & Recreation Facilities Betterments	434,000		434,000
General – Road Infrastructure	750,000		750,000

General – Development Projects	1,397,000		1,397,000
General – Parks & Recreation Facilities Betterments	388,000		388,000
General – RCMP Cellblock Upgrade	181,000		181,000
Utilities – Water & Sewer Facilities		622,000	622,000
Utilities – Sewer Main Force		7,087,000	7,087,000
TOTALS	\$16,981,000	\$14,824,000	\$31,805,000

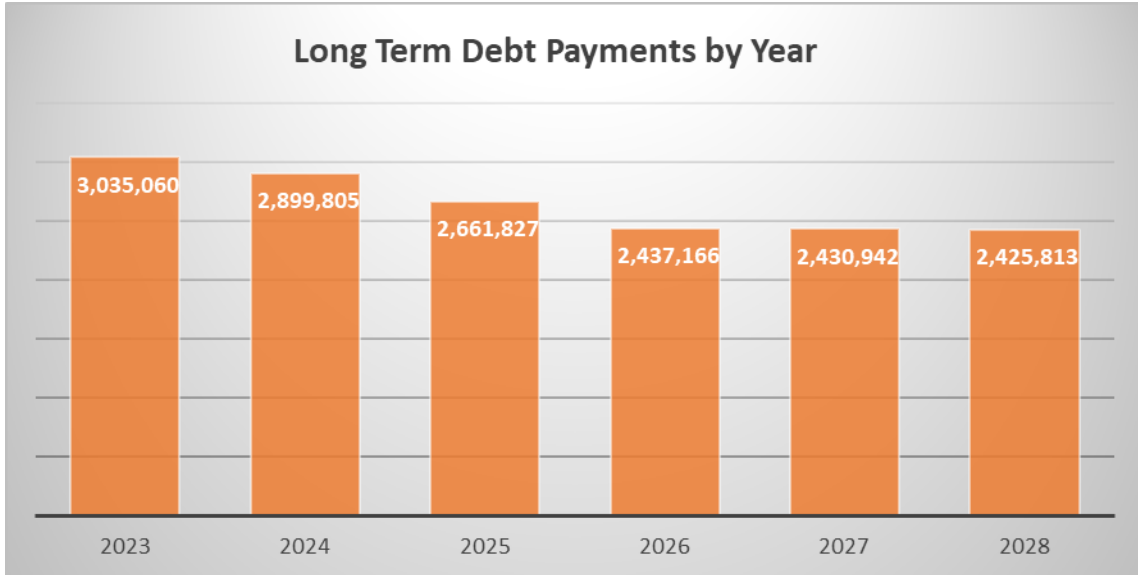
Long-term Debt per Person

	2021					
	<u>Annual Report</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Gross External Debt	\$ 30,087,884	\$ 34,554,218	\$ 31,804,992	\$ 29,112,030	26,564,212	24,163,386
Population	13,836	13,836	13,836	13,836	13,836	13,836
Debt per Person	\$ 2,175	\$ 2,497	\$ 2,299	\$ 2,104	\$ 1,920	\$ 1,746

LONG TERM DEBT 5 YEARS PAYMENT SCHEDULE

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Storm Sewer	\$ 226,716	\$ 226,716				
Sanitary Sewage	1,104,133	1,103,219	\$ 1,098,061	\$ 1,094,552	\$ 1,089,926	\$ 1,084,851
Water	222,188	222,188	222,188			
Land Development	153,612	154,789	154,196	154,516	154,488	154,019
Sanitary Sewer	147,212	148,340	147,771	148,078	148,051	147,601
Multi purpose Leisure/Operations	331,306	330,286	328,880	331,092	328,946	329,983
Multi purp. Leisure/Transp/Eng	87,124	87,860	86,848	86,198	87,580	86,896
Multi purp. Plann/WatSew/Leis	195,790	196,380	195,793	194,150	193,140	193,418
Sewer trunk	429,767	430,027	428,089	428,580	428,811	429,045
Equipment Leases	137,213					
	\$ 3,035,060	\$ 2,899,805	\$ 2,661,827	\$ 2,437,166	\$ 2,430,942	\$ 2,425,813

(Excludes Innovationplex long-term borrowing)



	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Debt repayment per person	\$219	\$210	\$192	\$176	\$176	\$176

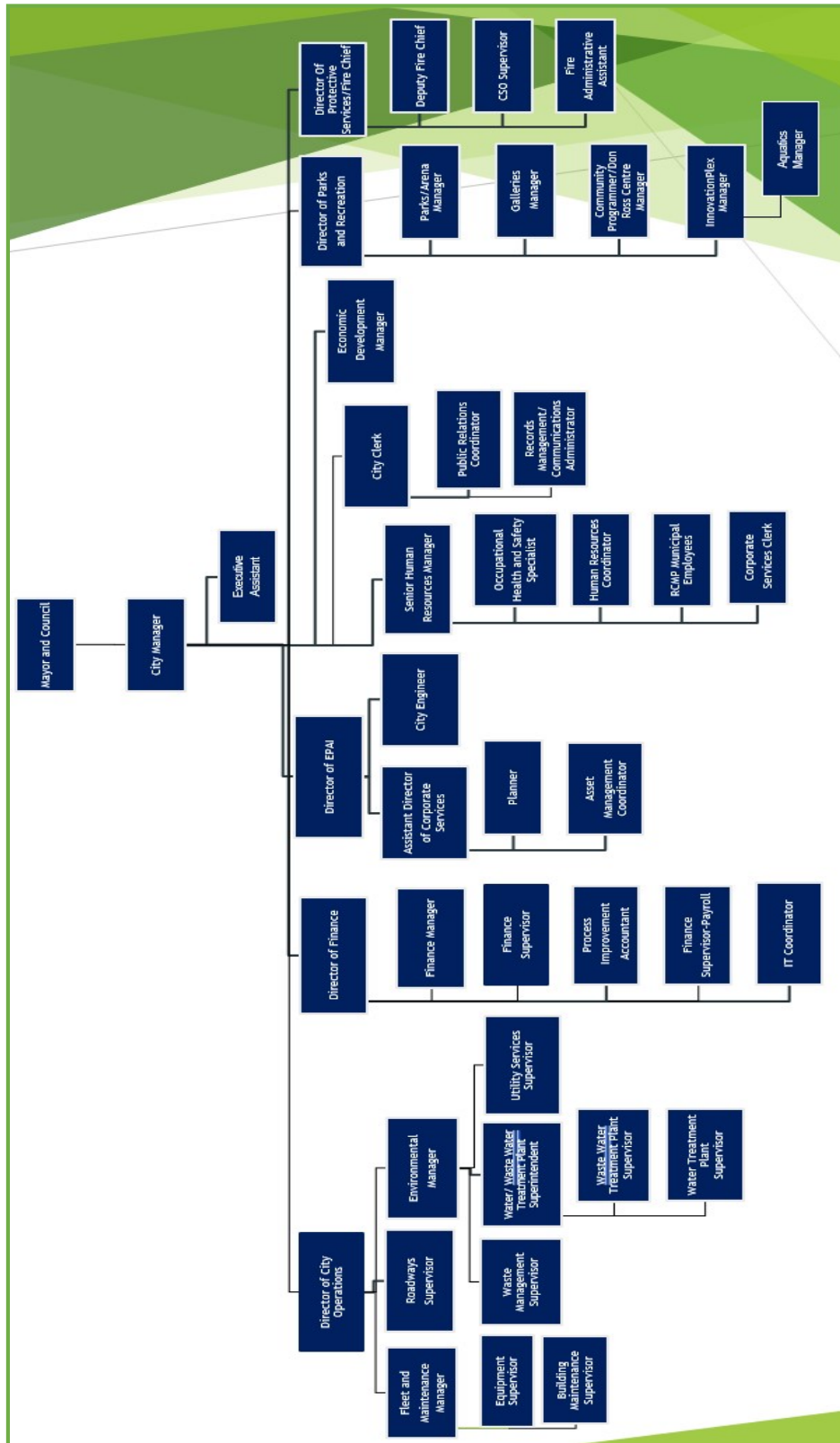
City Administration

Senior Management Overview

The City Directors along with their departmental employees are responsible for carrying out everyday duties at the City, per their job descriptions and functional responsibilities. The City's management team includes:

- City Manager – **Dr. Randy Patrick**
- City Clerk – **Stacey Hadley**
- Director of Engineering, Planning, Asset Management, and Infrastructure – **Vacant**
- Director of Finance – **Brent Nadon**
- Director of Operations Services - **Stewart Schafer**
- Director of Parks & Recreation Services – **Cheryl DeNeire**
- Director of Protective Services/Fire Chief – **Lindsay Holm**

Organizational Chart 2022



Growing the Community

While the pandemic has stalled much of the world’s economy over the last two years, the City of North Battleford expects to return to growing both in population and economically in 2023. The City’s municipal government is providing services and economic stimulus into various community organizations and services that benefit the greater Battlefords region and communities situated around the beautiful North Saskatchewan River Valley.

In 2023, the City will provide approximately \$1.2 Million in economic stimulus to many organizations in the community. The City provides annual grant funding to organizations that, in turn, provide additional social and community support to our fellow citizens. See additional information about the community grants below. For a complete list of the annual grants, see the appendix at the end of this report.

The City's operating budget includes funding the following shared services and organizations:

Battlefords Transit System (including Handi-Bus) \$ 343,666

Provides residents with transportation; allows those who have no other mode of transportation to still be active in the community. The City is providing \$238,586 to the transit system and \$105,080 to the Handi-Bus operations.

The Dekker Centre for the Performing Arts \$ 227,610

The Dekker Centre for Performing Arts is the only modern performing arts centre in the Battlefords. This facility can host many different types of professional acts and entertainment from across North America. The City provides a \$227,610 operating grant to the Board of the Dekker Centre for the Performing Arts and pays for the cost of maintaining the facility.

Animal Control / Humane Society \$ 150,000

The Humane Society provides a shelter for many animals in the Battlefords. This initiative encourages responsible pet ownership and provides an alternative to buying animals from a pet store. The City provides a \$150,000 operating grant to the Humane Society and incurs other annual costs for building maintenance, building improvements, and the use of Special Constables for animal control.

Lakeland Library Region \$ 351,567

The Lakeland Library Region acts as the head office for the libraries in our region. The City, who is the largest funder for the Lakeland Region, helps pay for the annual operating costs that support improved literacy in our communities.

North Battleford Library **\$ 153,560**

The City provides the North Battleford Library with a grant of \$153,560 for the annual facility operations and additional funding for periodic building maintenance and \$7,000 for the rented space for the Sports Museum and Hall of Fame.

River Valley Board **\$ 53,000**

The City, in partnership with the Town of Battleford, provides funding based on an agreed formula to fund the cost of upkeep and beautification of the River Valley.

North Battleford Golf and Country Club (NBGCC) **\$ 75,000**

The City provides an annual \$75,000 grant for capital equipment and pays to maintain water and sewer utility infrastructure at the golf course.

Destination Battlefords **\$ 40,000**

The City, in conjunction with Hotels Association, provides annual funding to Destination Battlefords Tourism.

Boys and Girls Club **\$ 43,000**

The City provides the following grants to the Boys and Girls Club:

- \$15,000 capital grant,
- \$28,000 summer program grant. In 2020, the City partnered with the Club for a trial partnership for the delivery of free summer day programs in some of the City parks. Due to the success of the program the Boys and Girls have requested we continue this funding in 2023.

BTEC Capital Grant **\$ 10,000**

The City provides a grant of \$10,000 to BTEC to assist with the cost of the new facility. 2023 is the seventh year of a ten-year agreement.

Community Development Financial Assistance Program **\$ 60,000**

Each year, the City provides a set amount of discretionary assistance funding to local non-profit groups that apply for assistance. This year a new Sub-Committee was formed and met on October 28th, 2022 to review applications. Funding recommendations from that Committee will be forward brought to Council for approval during budget deliberations. Council subsequently approved the recommendations as communicated by the Committee.

General Fund Operating Budgets by Department

General Government Services

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
GENERAL GOVERNMENT SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
- Sales of supplies	\$ 96,700	\$ 110,700	\$ 85,750	\$ 149,586
- Taxation Services	19,500	27,000	16,588	18,706
- Expense Recoveries	-	-	6,797	26,410
Total Fees and Charges	116,200	137,700	109,134	194,702
- Tangible capital asset sales - gain (loss)	-	-	246,220	35,099
- Investment & Interest	465,000	312,500	431,539	519,062
Total Other Segmented Revenue	581,200	450,200	786,894	748,864
Conditional Grants and Donations				
- Grants	-	-	18,995	436
Total Operating Revenue	581,200	450,200	805,889	749,300
Operating Expenses				
Council remuneration and travel	314,549	302,693	259,141	270,528
Wages and benefits	1,959,925	1,948,929	1,575,825	1,719,725
Professional/Contractual services	1,291,434	1,303,498	869,750	1,081,923
Subscription/Memberships	86,854	86,859	50,298	35,617
Utilities	125,788	110,082	114,018	118,711
Maintenance, materials and supplies	170,945	152,425	108,686	101,321
Travel	24,035	23,626	9,486	2,814
Amortization	-	-	-	77,291
Allowance for uncollectibles	-	-	(12)	409,137
Insurance	650,099	550,000	543,434	448,528
Medical	5,000	5,000	495	2,475
Grants and contributions	159,000	159,000	171,500	182,000
Other	3,000	3,000	32,019	34,076
Total Government Services Expenses	4,790,629	4,645,112	3,734,639	4,484,145
Capital				
Conditional Grants				
- Capital Grants	-	-	-	-
General Government Services Surplus (Deficit)	\$ (4,209,429)	\$ (4,194,912)	\$ (2,928,751)	\$ (3,734,845)
Capital Expenditure	1,582,000	568,000	-	-
Total General Government Services Financial Position	\$ (5,791,429)	\$ (4,762,912)	\$ (2,928,751)	\$ (3,734,845)

Revenues

- General Government revenue is projected to increase by approximately \$131,000 mainly due to the following:
 - Decrease of sundry revenue to adjust to actuals of \$14,000
 - Increase in investment income of approximately \$152,500

Expenses

- Council remuneration increased by approximately \$8,000 and supplies by \$4,000
- Wages and Benefits are projected to increase by approximately \$11,000 due to:
 - Wage adjustment and cost of living, adjustment to reflect current employees' actual salaries and group benefit adjustments totaling \$146,000
 - Increase in vacancy rate (\$135,000).
- Professional Contractual expense movement compared to 2022 Budget:

Total budgeted professional/contractual services 2022	\$1,303,498
Regional Study/ Review	(100,000)
Website	(8,700)
Taxation assessment service contract	10,000
Audit contract service	11,000
City Hall interior renovations	(19,700)
Penetration test	30,000
Security awareness training – Citywide	6,000
Council AV equipment maintenance	2,600
Microsoft office license renewals	14,200
Information Technology software and service contracts	12,672
Training initiatives	5,000
Citywide special events	20,000
Sundry	4,864
Proposed Budget 2023	\$1,291,434

- Utilities are expected to increase by \$15,706 due to adjusting electric, gas, and phones to actual rates.
- Maintenance, materials, and supplies are expected to increase by approximately \$15,000, due to the following:
 - IT hardware \$8,800
 - City Hall building maintenance \$4,000
 - City Hall supplies \$2,200
- Insurance is increasing by \$100,000 mainly due to the following:
 - One deductible claim \$25,000
 - Increase on premiums \$75,000

Capital expenditures are estimated to be \$1,582,000. See “General Government” capital expenditures tab for details:

- City Hall roof replacement
- Annual Capital Renewal
- Council Chambers Phase 2
- App Server
- DC Server
- Point 2 Point
- ERP Software

Policing Services

	2023 Budget	2022 Budget	2022 Actual	2021 Actual
	as of Nov 16, 2022			
POLICING SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
- Policing Fees/Fines	\$ 150,000	\$ 150,000	\$ 108,232	\$ 103,405
Total Fees and Charges	150,000	150,000	108,232	103,405
- Total Police Services Other Revenue	406,292	450,000	341,830	610,173
Total Other Segmented Revenue	556,292	600,000	450,062	713,578
Conditional Grants				
- Grants	819,353	819,353	16,948	820,094
Total Operating	1,375,645	1,419,353	467,010	1,533,671
Operating Expenses				
Wages and benefits	616,860	612,014	403,889	425,735
Professional/Contractual services	5,504,548	5,115,134	2,665,906	5,416,036
Utilities	82,760	78,200	60,344	70,026
Maintenance, materials and supplies	109,000	109,000	76,351	118,496
Interest	6,915	7,166	5,130	2,312
Total Policing Services Expense	6,320,084	5,921,515	3,211,620	6,134,248
Policing Services Surplus (Deficit)	\$ (4,944,439)	\$ (4,502,162)	\$ (2,744,610)	\$ (4,600,577)
Capital Expenditure		-	-	-
Total Policing Services Financial Position	\$ (4,944,439)	\$ (4,502,162)	\$ (2,744,610)	\$ (4,600,577)

Revenues

In 2023, Revenue from Policing is projected to decrease by approximately \$44,000. The majority of the decrease is due to lower rent payments.

Expenses

Professional/Contractual Services is the 37-member RCMP Policing Contract with His Majesty on behalf of the Federal Government. This increase of approximately \$400,000 per year is the ongoing cost of the current year increase for the RCMP, and a catch up for the costs that were delayed from last year by utilizing higher vacancy figures. Going forward the annual increases should be in the 3-5% range.

Fire and Protective Services

	2023 Budget	2022 Budget	2022 Actual	2021 Actual
	as of Nov 16, 2022			
FIRE & PROTECTIVE SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
- Total Fire Services Fees/Fines	\$ 79,500	\$ 61,500	\$ 74,020	\$ 97,226
- Total Provincial Fines	150,000	150,000	129,324	192,622
- Total Special Constables Fees/Fines	244,000	213,600	161,243	281,390
Total Fees and Charges	473,500	425,100	364,587	571,238
- Total Fire Services Other Revenue	2,100	2,100	21,498	36,403
- Total Special Constables Other Revenue	-	-	250	750
Total Other Segmented Revenue	475,600	427,200	386,335	608,391
Conditional Grants				
- Grants	-	-	-	-
Total Operating Revenue	475,600	427,200	386,335	608,391
Operating Expenses				
Special Constables				
Wages and benefits	630,779	627,041	505,101	574,353
Professional/Contractual services	9,511	10,511	1,917	-
Subscription/Memberships	4,120	4,000	515	4,169
Utilities	4,975	4,830	3,389	4,084
Maintenance, materials and supplies	87,124	84,958	76,682	82,915
Travel	4,635	4,500	2,129	2,140
Total Special Constables Expenses	741,143	735,840	589,734	667,660
Fire Services				
Wages and benefits	2,133,038	2,023,239	1,786,214	2,060,766
Professional/Contractual services	120,126	134,439	18,242	43,310
Subscription/Memberships	53,488	52,530	8,164	51,559
Utilities	42,744	41,269	31,021	32,678
Maintenance, materials and supplies	160,692	133,441	86,294	205,635
Travel	7,471	8,240	2,444	2,245
Medical	1,061	1,030	75	-
Total Fire Services Expenses	2,518,620	2,394,188	1,932,454	2,625,984
Safety & Emergency Preparedness				
Professional/Contractual services	13,056	12,541	7,465	12,789
Subscription/Memberships	7,210	7,000	7,106	7,000
Maintenance, materials and supplies	583	567	-	188
Travel	1,644	1,597	-	180
Total Safety & Emergency Preparedness Expenses	22,494	21,704	14,571	20,157
Animal, Humane Society Expenses				
Professional/Contractual services	150,000	150,000	150,148	150,029
Utilities	10,971	10,588	9,926	10,151
Maintenance, materials and supplies	2,652	2,575	1,372	6,396
Total Animal, Humane Society Expenses	163,623	163,163	161,445	166,576
Total Fire and Protective Services Expenses	3,445,880	3,314,895	2,698,205	3,480,377
Capital				
Conditional Grants				
- Capital Grants	-	-	-	-
Fire & Protective Services Surplus (Deficit)	\$ (2,970,280)	\$ (2,887,695)	\$ (2,311,870)	\$ (2,871,986)
Capital Expenditure	297,500	670,000	-	-
Transfer to Reserves	(91,032)	(91,032)	-	-
Transfers from Reserves	(300,000)	(300,000)	-	-
Total Fire & Protective Services Financial Position	\$ (3,476,748)	\$ (3,766,663)	\$ (2,311,870)	\$ (2,871,986)

Revenues

In 2023, revenues are expected to increase by approximately \$48,000 due to increases in fire services and special constable fines.

Expenses

Special Constables

- Special Constables expenses are expected to increase by \$5,303 due to wage adjustment and maintenance, materials, and supplies.
- As proposed in the 2021 budget, the purchase was internally financed over 5 years with an internal rate of 6% per annum. An annual transfer of \$9,511 to reserves is planned until 2026.

Fire Services

- Wages and benefits in 2023 are expected to increase compared to the 2022 Budget by approximately \$109,800 due to cost of living, group benefits, and overtime adjustments.
- Contractual services in 2023 are expected to decrease by approximately \$14,000.
- Maintenance, materials, and supplies are expected to increase by \$27,000 mainly due to the roof study and repairs at the fire hall.
- In 2021, the City purchased a fire pumper truck for approximately \$752,000. As proposed in the 2021 Budget, \$300,000 was internally financed over 10 years with an internal rate of 6% per annum. An annual transfer of \$81,521 to reserves is planned until 2032.

Capital expenditures are estimated to be \$297,500. See Operations capital expenditures tab for details:

- Parking lot resurface and base repair
- Pumper Rescue truck
- Bylaw hybrid vehicle

Operations Services

	2023 Budget	2022 Budget	2022 Actual	2021 Actual
	as of Nov 16, 2022			
OPERATIONS SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
- Aviation Revenue	\$ 383,150	\$ 122,650	\$ 272,456	\$ 183,819
- Expense Recoveries	4,250	3,435	27,351	7,635
Total Other Segmented Revenue	387,400	126,085	299,807	191,454
Conditional Grants				
- Grants	1,001,845	1,234,667	732,177	440,567
Total Operating Revenue	1,389,245	1,360,752	1,031,984	632,021
Operating Expenses				
Public Works & Fleet				
Wages and benefits	2,276,515	2,063,217	1,612,681	1,856,767
Professional/Contractual services	1,639,429	1,427,671	796,732	1,171,702
Subscription/Memberships	30,811	22,456	9,132	10,739
Utilities	559,492	494,896	463,019	502,196
Maintenance, materials and supplies	1,383,613	1,046,618	1,326,170	946,450
Travel	22,813	14,266	4,237	2,706
Amortization	-	-	-	2,796,032
Interest	55,807	70,141	37,271	68,699
Insurance	135,000	135,000	117,537	115,655
Other	20,000	30,000	15,480	18,739
Total Public Works & Operations Expenses	6,123,480	5,304,265	4,382,259	7,489,685
Total Operations Services Expenses	6,123,480	5,304,265	4,382,259	7,489,685
Capital				
Conditional Grants				
- Capital Grants	-	-	-	-
Operations Surplus (Deficit)	\$ (4,734,235)	\$ (3,943,512)	\$ (3,350,275)	\$ (6,857,664)
Capital Expenditure	618,000	1,128,000	-	-
Total Operations Financial Position	\$ (5,352,235)	\$ (5,071,512)	\$ (3,350,275)	\$ (6,857,664)

Revenues

- In 2023, aviation revenue is expected to increase approximately by \$260,000 and grants are expected to decrease by \$232,822 as there are no known grants that we may expect.

Expenses

Public Works & Fleet

- Wages and benefits in 2023 are projected to increase by approximately \$213,000 mainly due to:
 - \$91,000 cost of living increases and a change in the pay scale for employees
 - \$99,000 for an additional journeyman mechanic
 - \$22,934 for the Fleet & Maintenance Administrative position to be increased from part-time to full-time

- Professional/Contractual services is projected to increase by approximately \$212,000 mainly due to the following:

Total budgeted professional/contractual services 2022	\$1,427,671
Increase in freight to adjust to actual expenditure (Total freight \$19,000)	9,000
New grader lease	77,000
Reduction of lease payments (UF truck, chipper and maintenance truck)	(39,100)
Lease of electric forklift	12,000
Fleet Management Information system software	18,000
New Tandem truck lease	51,000
New Hybrid vehicle lease	8,000
Public Workshop repairs	15,000
Gridding and paving alleys and roads for a total budget of \$260,000	95,000
Weed Control	(15,000)
Overlay 100 th Street & Territorial Drive	(200,000)
Territorial Drive crack sealing	100,000
Residential crack sealing	(50,000)
Airfield crack sealing	(50,000)
Airfield services contract	46,000
Fairview back-alley service contracts	20,000
Street lighting - Batteries for solar lights	25,600
Lane marking – service contracts	(15,000)
Culverts & ditchers repairs	30,000
Parsons Park storm sewer drainage – expected to continue for the next 3 years (2023 – 2025)	45,000
Airport terminal roof	22,000
Sundry contracts increase	7,258
Proposed Budget 2023	\$1,639,429

- Utilities increased by \$64,500 due to the end of the City’s agreement and adjusting to new rates provided
- Maintenance, materials, and supplies expenses are projected to increase by \$430,000 mainly due to the following:

Total budgeted maintenance, materials, and supplies 2022	\$1,046,618
Equipment repairs – Public Works for a total of \$148,248	(1,753)
Equipment repairs – Parks for a total of \$103,248	28,248
Fleet & Maintenance building maintenance & supplies	12,000
Hoists – 2022 one-off purchase	(35,000)

Vac Truck repairs	(25,000)
Equipment repairs – miscellaneous	5,000
Grading & gravelling supplies	(12,000)
Fleet and supplies	20,000
Fleet Fuel increase for a total budget of \$310,000 (2022: \$200,000)	110,000
Small tools	5,000
Patching supplies	11,000
Street sweeping supplies	17,000
Snow, sidewalks plowing, street signs, and lane marking supplies	21,500
Batteries for traffic signals	10,000
Parking maintenance supplies	3,500
Airport fuel	170,000
Airport building maintenance and supplies	(5,100)
Sundry	2,600
Proposed Budget 2023	\$1,383,613

- Interest is expected to decrease by approximately \$14,000 as one long-term debt is nearing its maturity date.

Capital expenditures are estimated to be \$618,000. See Operations capital expenditures tab for details:

- Cemetery grass mower
- Urban Forestry truck
- Urban Forestry chipper
- Bucket truck
- Airport security fence
- Valve turning truck
- Public library elevator
- Stair climber
- Camera 13th and 100th Street
- Back alley improvements – Fairview
- Stormwater improvements – Industrial Park
- Reconstruction of Wearing Road
- Salt Tent

Waste Management Services

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
WASTE MANAGEMENT SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
Waste and Disposal Fees	\$ 1,411,000	\$ 1,009,000	\$ 1,215,214	\$ 1,622,758
Total Fees and Charges	1,411,000	1,009,000	1,215,214	1,622,758
Other Revenue, Garbage and Recycling	1,077,792	1,049,536	929,286	1,063,795
Total Other Segmented Revenue	2,488,792	2,058,536	2,144,499	2,686,552
Conditional Grants				
- Grants	143,808	143,808	-	145,910
Total Operating Revenue	2,632,600	2,202,344	2,144,499	2,832,462
Operating Expenses				
Wages and benefits	634,944	610,257	505,296	591,778
Professional/Contractual services	992,895	817,454	522,722	591,665
Subscription/Memberships	8,932	4,662	3,083	4,016
Utilities	17,909	15,849	8,944	11,880
Maintenance, materials and supplies	169,792	157,008	121,950	161,308
Travel	9,316	4,200	4,648	152
Interest	13,572	14,097	13,100	13,824
Other	70,000	70,000	-	40,608
Total Waste Management Services Expenses	1,917,359	1,693,526	1,179,742	1,574,143
Capital				
Conditional Grants				
- Capital Grants	-	-	-	-
Waste Management Services Surplus (Deficit)	\$ 715,241	\$ 508,817	\$ 964,757	\$ 1,258,319
Capital Expenditure	110,000			
Transfers to Reserves	(44,564)	(44,564)	-	(44,564)
Transfers from Reserves	-	-	-	-
Total Waste Management Services Financial Position	\$ 649,805	\$ 464,253	\$ 964,757	\$ 1,213,755

Revenues

- Waste and Disposal fee revenues in 2023 include a 6.8% increase due to agreement increase in cost and an estimated increase of \$200,000 tipping fees due to rate review and enforcement of City bylaws.

Expenses

- Expenses are projected to increase by approximately \$223,000 mainly due to the following:
 - Wages and benefit change of pay scale and cost of living - \$25,000
 - Service contracts increase is projected to increase by approximately \$175,000 mainly due to:
 - Maintenance of wind fences \$(2,000)

- Groundwater monitoring service contract \$(15,000)
 - Drone survey contract is expected to decrease by \$(2,500)
 - Grinding, mulching, and concrete crushing \$10,000
 - Compactor wheel cleats \$100,000
 - Dozer lease increase \$22,300
 - Continuation of work on master plan to fulfill legislative obligations \$20,000
 - Fence maintenance \$5,000
 - Sundry reduction in supplies \$641
 - Monitor recycling bin content (Prairie Robotics) \$17,000. This is not necessary, but we believe this will be beneficial to solve a number of issues.
 - Recycling and solid waste collection service increase of \$20,000
-
- Maintenance, materials, and supplies is projected to increase by approximately \$13,000 mainly due to the following:
 - Reallocation of the waste management software from the general government to the waste management facility \$7,000
 - Building repairs and signage \$6,000

During 2019, the City purchased a Volvo loader for \$328,183. The purchase was internally financed over 10 years with an internal interest rate of 6% per annum. An annual transfer of \$44,564 to reserves is planned until 2030.

Capital expenditures are estimated to be \$110,000. See Operations capital expenditures tab for details:

- Security camera
- Waste Management capital assets

Planning and Development Services

	2023 Budget	2022 Budget	2022 Actual	2021 Actual
	as of Nov 16, 2022			
PLANNING AND DEVELOPMENT SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
- Business Licenses	\$ 240,000	\$ 200,000	\$ 217,294	\$ 242,476
- Building & Development Permits	139,900	109,400	218,110	146,048
- Development Agreements	76,000	76,000	64,993	112,499
- Land Rent	63,000	50,000	70,578	63,622
Total Fees and Charges	518,900	435,400	570,974	564,645
- Lot Options/ Land gain/(loss)	-	3,000	-	1,001,251
Total Other Segmented Revenue	518,900	438,400	570,974	1,565,895
Conditional Grants				
- Grants	35,223	35,223	-	-
Total Operating Revenue	554,123	473,623	570,974	1,565,895
Operating Expenses				
Business Licenses				
Wages and benefits	53,409	51,064	69,664	80,220
Professional/Contractual services	75,000	75,000	142,472	87,149
Maintenance, materials and supplies	500	500	2,479	1,944
Total Business Licenses	128,909	126,564	214,615	169,313
Economic Development				
Wages and benefits	216,576	76,409	22,486	32,483
Subscription/Memberships	17,750	2,250	649	590
Travel	5,500	2,100	-	-
Grants and contributions	383,666	492,261	40,000	118,458
Total Economic Development	640,492	573,020	63,135	151,531
Engineering				
Wages and benefits	269,429	183,811	34,005	120,700
Professional/Contractual services	26,000	5,000	(6,441)	50,424
Subscription/Memberships	-	-	-	-
Maintenance, materials and supplies	4,100	4,100	19,235	4,602
Travel	-	-	-	37
Total Engineering	299,529	192,911	46,800	175,763
Planning				
Wages and benefits	190,536	173,613	386,415	442,840
Professional/Contractual services	60,000	36,000	31,936	81,737
Subscription/Memberships	5,500	11,500	10,415	11,386
Maintenance, materials and supplies	500	500	399	208
Travel	6,000	6,000	4,906	44
Interest	214,676	223,141	194,199	196,517
Grants and contributions	93,197	92,907	-	-
Total Planning	570,409	543,661	628,271	732,732
Total Planning and Development Services	1,639,339	1,436,156	952,822	1,229,339
Total Planning and Development Services Surplus (Deficit)	\$ (1,085,216)	\$ (962,533)	\$ (381,847)	\$ 336,556
Capital Expenditure	200,000	120,000		
Total Planning and Development Services Financial Position	\$ (1,285,216)	\$ (1,082,533)	\$ (381,847)	\$ 336,556

Revenues

The projected revenues for Planning and Development Services for 2023 is approximately \$554,000, with an estimated increase of approximately \$80,000 compared to 2022 mainly due to expected increases in building and development permits, and business licenses.

Expenses

Overall expenses are projected to increase in 2023 compared to Budget 2022 in the approximate amount of \$203,000, with significant details as follows:

Economic Development

- Economic Development wages and benefits, subscriptions, memberships, and travel are expected to increase by \$159,000 due to hiring a dedicated economic development position.
- Grants and contributions are expected to decrease by approximately \$109,000 due to reduction on grants to Destination Battlefords Tourism, Public Transit, and Handi-Bus services.

Engineering

- Wages and benefits and professional fees are expected to increase by \$107,000 due to the following:
 - New position for a GIS Coordinator with an estimate fully-loaded cost of \$124,600
 - Reallocation of one engineering technologist to a split of the following departments: fleet, water, and sewer (\$80,100)
 - Engineering technical opinions increase of \$5,000
 - Wages and benefits increase due to cost of living and change of step \$57,500

Planning

- Wages and benefits are expected to increase by \$17,000 due to cost of living adjustment and moving an employee from Junior Planner to Planner.
- Professional and contractual services are expected to increase by approximately \$24,000 mainly to evaluate a contaminated site.
- Interest is expected to decrease by approximately \$8,500 due to some long-term debts nearing their maturity dates.

Capital expenditures are estimated to be \$200,000. See Planning & Development capital expenditures tab for details:

- Battleford Road and Hwy 16 Bypass – Service Road Upgrade

Parks & Recreation Services

	2023 Budget	2022 Budget	2022 Actual	2021 Actual
as of Nov 16, 2022				
PARKS & RECREATION SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
- Recreation Fees & Services	\$ 809,200	\$ 752,750	\$ 714,188	\$ 431,970
- Galleries	44,800	34,300	46,370	42,231
- Recreation Facilities Rental	903,500	891,000	726,895	764,802
- Cemetery	170,000	155,000	146,968	142,109
Total Other Segmented Revenue	1,927,500	1,833,050	1,487,453	1,239,004
Conditional Grants				
- Grants	253,850	223,350	171,857	338,004
Total Operating Revenue	2,181,350	2,056,400	1,659,310	1,577,007
Operating Expenses				
Recreational Facilities & Programing				
Wages and benefits	2,478,652	2,355,138	1,775,111	1,754,005
Professional/Contractual services	557,904	588,124	487,156	462,030
Subscription/Memberships	17,060	22,925	2,152	4,660
Utilities	904,645	851,361	744,873	828,432
Maintenance, materials and supplies	334,785	318,950	309,303	259,853
Travel	6,200	8,570	3,002	769
Interest	286,096	313,438	248,480	349,859
Grants and contributions	506,167	515,624	514,584	514,584
Other	12,500	9,600	13,591	9,727
Total Recreational Facilities & Programing	5,104,008	4,983,731	4,098,252	4,465,437
Galleries				
Wages and benefits	303,016	303,843	211,155	260,914
Professional/Contractual services	99,645	81,820	52,654	61,676
Subscription/Memberships	-	-	-	-
Utilities	37,638	35,926	37,701	40,166
Maintenance, materials and supplies	34,000	24,700	37,738	40,155
Travel	400	800	-	-
Total Galleries	474,699	447,089	339,248	414,923
Cemeteries				
Wages and benefits	138,100	134,187	139,988	166,177
Professional/Contractual services	3,000	2,000	500	3,934
Utilities	22,290	23,490	19,128	21,013
Maintenance, materials and supplies	8,300	6,500	2,904	4,432
Cemeteries Total	171,690	166,177	162,519	195,927
Parks & Forestry				
Wages and benefits	651,813	632,079	502,782	578,675
Professional/Contractual services	224,800	187,900	292,785	201,509
Utilities	169,990	163,394	190,422	229,500
Maintenance, materials and supplies	86,500	92,700	69,161	73,826
Amortization	-	-	-	1,530,247
Grants and contributions	64,000	64,000	11,000	64,000
Total Parks & Forestry Expenses	1,197,103	1,140,073	1,066,149	2,677,758
Total Parks & Recreation Services	6,947,500	6,737,070	5,666,169	7,754,045
Capital				
Conditional Grants				
- Capital grants	-	-	-	-
- Community capital pledges/contributions	-	-	-	(2,400)
Total Capital	-	-	-	(2,400)
Parks & Recreation Services Surplus (Deficit)	\$ (4,766,150)	\$ (4,680,670)	\$ (4,006,859)	\$ (6,177,038)
Capital Expenditure	595,500	414,300	-	-
Total Parks & Recreation Services Financial Position	\$ (5,361,650)	\$ (5,094,970)	\$ (4,006,859)	\$ (6,177,038)

Revenue

Overall revenues are expected to increase by approximately \$125,000 in 2023 compared to 2022 mainly due to the following:

- Swimming pool registrations, sale of goods and services increase of \$30,000
- Performing Arts, ticket sales increase of \$5,000
- Field House rents, registrations, and sale of services increase of \$22,000
- Galleries sale of goods and services increase of \$10,500
- Increase in rentals of Don Ross Arena, Don Ross Complex, Access Communications Centre, and other City facilities of \$12,500
- Cemetery fees increase of \$15,000
- Cultural grants are expected to increase by approximately \$30,000

Expenses

Overall expenses are expected to increase by \$210,000. The main variances are as follows:

Recreational Facilities & Programming

- Wages and benefits in 2023 are projected to increase approximately \$123,000. This is due to change of steps and wage adjustment per agreements.
- Professional and contractual services are expected to decrease at the Aquatic Centre and Public Library (roof repairs) by \$(30,220).
- Utilities are expected to increase by \$53,000 due to adjusting electric, gas, and phones to actual rate agreements.
- Maintenance, materials, and supplies are expected to increase by \$15,800 mainly due to Access Communications Centre repairs, Field House supplies, and ice plant repairs.
- Interest on long-term debt is expected to decrease by \$27,000.

Galleries

- Professional and Contractual services are expected to increase by \$16,500 due to surveillance system upgrade, new monitoring for exhibition tour, and shelving.

Parks & Forestry

Overall expenses are expected to increase by \$57,000. The main variances are as follows:

- Wages and benefits are expected to be increased by \$19,000, due to pay scale and cost of living adjustments.
- Professional and contractual services are expected to increase by \$37,000 due to pest control, emergency services for tree removal, graffiti removal, and playground equipment replacements. The playground equipment replacements were reallocated from the capital to the operating budget due to them being ongoing.

- Utilities are expected to increase by \$6,600 due to adjustments of electric, gas, water, and phone actual rate agreements.

Capital expenditures are estimated to be \$1,945,500. See Parks & Recreation capital expenditures tab for details:

- Allen Sapp Gallery – Water softener
- Allen Sapp Gallery – Front end of cornice repairs
- Access Communications Centre – Condensate tank
- Access Communications Centre – Plant condenser
- Don Ross Arena – Washroom/flooring upgrades
- Don Ross Arena – Ice plant (over 2 years)
- NationsWEST Field House – Copier
- NationsWEST Field House – Drinking fountains upgrade
- NationsWEST Field House – Headguards
- Co-op Aquatic Centre – Handicap chair lift
- Co-op Aquatic Centre – Front window glass
- Co-op Aquatic Centre – Drinking fountains upgrade
- Co-op Aquatic Centre – Roof replacement
- Co-op Aquatic Centre – Rooftop unit 1 (over 2 years)
- Don Ross Community Centre – Rooftop / Air Handler unit
- Don Ross Community Centre – Door hardware and panic doors & fobs
- Don Ross Community Centre – floor washer
- Curling Rink – Announcement Sound System
- Parks – Irrigation System replacement
- Parks – Outdoor rink replacements
- Parks – Security cameras
- Parks – Gazebos

InnovationPlex Recreation & Cultural Centre Summary Statement of Operations (all components)

The following is the Summary Statement of Operations for all InnovationPlex components (Swimming Pool, Field House, Curling Arena, Performing Arts Centre, and InnovationPlex grounds) combined:

Innovationplex Recreation & Cultural Centre Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Rental	\$ 210,000	\$ 195,000	\$ 126,856	\$ 71,034
Registrations	30,000	30,000	18,929	7,853
Sale of Goods	20,000	15,000	18,570	12,022
Sale of Service	628,000	589,250	569,848	377,048
Total Revenue	\$ 888,000	\$ 829,250	\$ 734,203	\$ 467,956
Expenses				
Wages and benefits	\$ 1,589,373	\$ 1,525,800	\$ 1,068,819	\$ 968,585
Professional/Contractual services	380,084	427,804	366,568	294,584
Utilities	446,006	419,757	348,979	379,206
Maintenance, materials and supplies	219,935	212,140	203,027	150,974
Travel	1,500	1,500	1,471	701
Bank charges	10,000	8,800	9,406	4,800
Other	8,500	8,000	9,591	7,686
Total Expense	2,655,398	2,603,801	2,007,862	1,806,535
Surplus (Deficit)	\$ (1,767,398)	\$ (1,774,551)	\$ (1,273,659)	\$ (1,338,579)

NationsWest Field House

Field House Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Rental	\$ 140,000	\$ 125,000	\$ 113,096	\$ 39,078
Registrations	30,000	30,000	18,929	7,853
Sale of Service	98,000	90,000	89,162	50,864
Total Revenue	\$ 268,000	\$ 245,000	\$ 221,187	\$ 97,795
Expenses				
Wages and benefits	\$ 449,449	\$ 424,907	\$ 357,938	\$ 334,461
Professional/Contractual services	28,430	32,500	26,023	16,403
Utilities	123,058	115,164	96,928	99,817
Maintenance, materials and supplies	51,000	43,200	60,744	22,585
Bank charges	4,000	4,000	3,318	2,335
Total Expense	655,937	619,771	544,951	475,601
Surplus (Deficit)	\$ (387,937)	\$ (374,771)	\$ (323,764)	\$ (377,806)
Cost recovery ratio	40.86%	39.53%	40.59%	20.56%

The Co-Op Aquatic Centre

Swim Pool Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Rental	\$ 70,000	\$ 70,000	\$ 13,760	\$ 31,956
Sale of Goods	20,000	15,000	18,570	12,022
Sale of Service	515,000	488,000	480,687	323,951
Donations	-	-	-	-
Total Revenue	\$ 605,000	\$ 573,000	\$ 513,016	\$ 367,928
Expenses				
Wages and benefits	\$ 1,139,925	\$ 1,100,893	\$ 710,882	\$ 634,124
Professional/Contractual services	26,310	78,660	52,352	22,755
Utilities	311,650	294,346	240,833	264,044
Maintenance, materials and supplies	153,535	156,540	125,459	116,616
Travel	1,500	1,500	1,471	701
Bank charges	6,000	4,800	6,088	2,465
Other	8,500	8,000	9,591	7,686
Total Expense	1,647,419	1,644,739	1,146,676	1,048,392
Surplus (Deficit)	\$ (1,042,419)	\$ (1,071,739)	\$ (633,660)	\$ (680,463)
Cost recovery ratio	36.72%	34.84%	44.74%	35.09%

Northland Power Curling Centre

Curling Centre Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Sale of Service	\$ -	\$ 1,250	\$ -	\$ -
Total Revenue	\$ -	\$ 1,250	\$ -	\$ -
Expenses				
Professional/Contractual services	\$ 71,017	\$ 67,717	\$ 52,100	\$ 16,069
Utilities	5,000	3,949	4,417	4,773
Maintenance, materials and supplies	11,600	8,600	10,955	3,683
Total Expense	87,617	80,266	67,473	24,525
Surplus (Deficit)	\$ (87,617)	\$ (79,016)	\$ (67,473)	\$ (24,525)

The Dekker Centre for Performing Arts

Performing Arts Centre Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Sale of Service	\$ 15,000	\$ 10,000	\$ -	\$ 2,233
Total Revenue	\$ 15,000	\$ 10,000	\$ -	\$ 2,233
Expenses				
Professional/Contractual services	\$ 254,327	\$ 248,927	\$ 236,093	\$ 239,357
Utilities	6,298	6,298	6,801	9,914
Maintenance, materials and supplies	3,800	3,800	5,868	8,089
Total Expense	264,425	259,025	248,762	257,360
Surplus (Deficit)	\$ (249,425)	\$ (249,025)	\$ (248,762)	\$ (255,127)

The Don Ross Complex

Don Ross Complex Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Rental	\$ 380,000	\$ 375,000	\$ 350,872	\$ 371,398
Sale of Service	1,200	1,500	1,063	(10)
Total Revenue	\$ 381,200	\$ 376,500	\$ 351,935	\$ 371,388
Expenses				
Wages and benefits	\$ 258,722	\$ 237,990	\$ 208,637	\$ 229,707
Professional/Contractual services	61,265	59,240	32,570	34,111
Utilities	151,355	144,555	125,137	57,389
Maintenance, materials and supplies	28,150	31,800	30,789	37,734
Travel	-	-	-	33
Amortization	-	-	-	65,470
Bank charges	3,200	3,000	2,877	2,433
Total Expense	502,692	476,585	400,011	426,876
Surplus (Deficit)	\$ (121,492)	\$ (100,085)	\$ (48,076)	\$ (55,488)
Cost recovery ratio	75.83%	79.00%	87.98%	87.00%

Don Ross Arena

Don Ross Arena Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Rental	\$ 145,000	\$ 140,000	\$ 126,027	\$ 133,269
Total Revenue	\$ 145,000	\$ 140,000	\$ 126,027	\$ 133,269
Expenses				
Wages and benefits	\$ 157,508	\$ 164,340	\$ 103,050	\$ 127,032
Professional/Contractual services	13,350	2,800	7,611	10,017
Utilities	96,226	91,285	80,196	157,726
Maintenance, materials and supplies	18,350	13,050	18,737	5,692
Total Expense	285,434	271,475	209,594	300,468
Surplus (Deficit)	\$ (140,434)	\$ (131,475)	\$ (83,567)	\$ (167,199)
Cost recovery ratio	50.80%	51.57%	60.13%	44.35%

Access Communications Centre

Access Communications Centre Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Rental	\$ 275,000	\$ 275,000	\$ 206,435	\$ 208,878
Total Revenue	\$ 275,000	\$ 275,000	\$ 206,435	\$ 208,878
Expenses				
Wages and benefits	\$ 269,373	\$ 232,090	\$ 236,401	\$ 272,702
Professional/Contractual services	49,225	35,400	24,719	81,524
Utilities	185,010	176,402	158,935	198,176
Maintenance, materials and supplies	48,900	42,460	39,630	51,756
Amortization	-	-	-	116,902
Total Expense	552,508	486,352	459,685	721,061
Surplus (Deficit)	\$ (277,508)	\$ (211,352)	\$ (253,250)	\$ (512,183)
Cost recovery ratio	49.77%	56.54%	44.91%	28.97%

Allen Sapp Gallery

Allen Sapp Gallery Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Sale of Goods	\$ 25,000	\$ 20,000	\$ 24,979	\$ 28,082
Sale of Service	5,500	4,000	5,546	10,622
Donations	5,000	3,300	6,475	3,571
Grants	93,850	63,350	101,058	80,259
Total Revenue	\$ 129,350	\$ 90,650	\$ 138,058	\$ 122,534
Expenses				
Wages and benefits	\$ 179,210	\$ 151,137	\$ 135,802	\$ 230,726
Professional/Contractual services	90,395	75,270	50,346	54,406
Utilities	35,680	33,968	35,527	37,534
Maintenance, materials and supplies	25,600	22,500	32,132	37,819
Travel	400	800	-	-
Amortization	-	-	-	8,336
Total Expense	331,285	283,675	253,807	368,821
Surplus (Deficit)	\$ (201,935)	\$ (193,025)	\$ (115,749)	\$ (246,287)
Cost recovery ratio	39.04%	31.96%	54.39%	33.22%

Chapel Gallery

Chapel Gallery Statement of Operations

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
Revenue				
Rental	\$ 3,800	\$ 2,000	\$ 4,796	\$ (226)
Sale of Service	3,000	3,000	1,835	-
Donations	2,500	2,000	2,739	182
Grants	-	-	-	-
Total Revenue	\$ 9,300	\$ 7,000	\$ 9,370	\$ (44)
Expenses				
Wages and benefits	\$ 123,806	\$ 152,705	\$ 75,353	\$ 30,188
Professional/Contractual services	9,250	6,550	2,308	7,269
Utilities	1,958	1,958	2,174	2,632
Maintenance, materials and supplies	8,400	2,200	5,606	2,337
Amortization	-	-	-	3,675
Total Expense	143,414	163,413	85,442	46,102
Surplus (Deficit)	\$ (134,114)	\$ (156,413)	\$ (76,072)	\$ (46,146)

Water Utility Services

	2023 Budget	2022 Budget	2022 Actual	2021 Actual
	as of Nov 16, 2022			
WATER SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
- Water Fees	\$ 4,025,821	\$ 3,802,406	\$ 3,414,261	\$ 3,976,139
- Water Works Expense Recovery	28,000	26,000	52,541	49,267
Total Fees and Charges	4,053,821	3,828,406	3,466,801	4,025,406
- Investment & Interest	18,000	16,000	18,823	21,450
Total Other Segmented Revenue	4,071,821	3,844,406	3,485,625	4,046,856
Conditional Grants				
- Grants	-	-	-	-
Total Operating	4,071,821	3,844,406	3,485,625	4,046,856
Operating Expenses				
Wages and benefits	1,603,832	1,503,196	1,422,417	1,652,077
Professional/Contractual services	880,901	709,351	852,425	867,269
Subscription/Memberships	18,352	14,902	12,952	14,861
Utilities	425,912	395,080	369,148	380,359
Maintenance, materials and supplies	743,950	730,150	652,690	906,463
Travel	14,118	6,941	7,876	3,214
Amortization	-	-	-	818,922
Interest	49,119	57,396	30,689	56,260
Allowance for uncollectibles	100	1,000	-	-
Other	155	155	-	155
Total Water Services Expenses	3,736,438	3,418,170	3,348,197	4,699,580
Capital				
Conditional Grants				
- Capital Grants	-	-	-	1,740,681
Water Services	\$ 335,383	\$ 426,236	\$ 137,427	\$ (652,724)
Capital Expenditure	1,795,000	860,000	-	-
Total Water Services Financial Position	\$ (1,459,617)	\$ (433,764)	\$ 137,427	\$ (652,724)

Water fees are expected to increase by 4.3% in base water and consumption rates.

Expenses

Overall expenses are projected to increase in 2023 compared to Budget 2022 in the approximate amount of \$318,000, with main details as follows:

- Wages and Benefits are projected to increase by approximately \$100,000 mainly due to pay scale and wage adjustments and the reallocation of 1/3rd of an engineering technician from the Planning & Development department.
- Professional contractual expenses are projected to increase in 2023 compared to Budget 2022 by approximately \$171,500 or a 24% increase from last year mainly due to the following:
 - FE Holliday - Biocides/pesticides \$1,800

- FE Holliday - repair of west side sump well in 2022 \$(20,000)
 - FE Holliday – sand cleanout of raw water pump \$(3,000)
 - FE Holliday - SCADA and Techconnect technical support \$7,000
 - FE Holliday – 2022 wiring and programming valve controllers \$(4,000)
 - FE Holliday - Filter Media top-up \$45,000
 - FE Holliday – River dredging \$30,000
 - FE Holliday - Analyzer calibration \$8,100
 - Mains – contract repairs and pavement restoration \$45,000
 - Services - Replacement of lead or lateral lines connections \$24,000
 - AMI base station annual maintenance, support, and radio frequency fee \$25,000
 - Hydrants underground contractor \$15,000
 - Fairview Heights – 2022 concrete pad \$(3,000)
 - Water Tower – 2022 repairs \$(2,000)
 - Other miscellaneous expenses \$2,600
- Utilities have increased \$30,00 due to end of contract and new pricing.

Capital expenditures are estimated to be \$1,795,000. See Water & Sewer Services capital expenditures tab for details:

- Removal of old control system wiring
- Programming and wiring chlorine smart valve controllers
- Walkway installation
- Water distribution masterplan upgrades – Canola Ave
- John East hydrants
- FE Holliday WTP backup power generator
- Water crane replacement
- Fairview reservoir ventilation system
- Valve turner
- Water tank trailer

Sanitary Sewer Utility Services

	2023 Budget	2022 Budget	2022 Actual as of Nov 16, 2022	2021 Actual
SANITARY SEWER SERVICES				
Operating Revenue				
Other Segmented Revenue				
Fees and Charges				
- Sanitary Sewer Fees	\$ 4,378,157	\$ 4,102,928	\$ 3,470,670	\$ 3,883,944
- Sanitary Sewer Expense Recovery	5,000	2,500	7,536	4,839
Total Other Segmented Revenue	4,383,157	4,105,428	3,478,206	3,888,783
Conditional Grants				
- Grants	-	-	-	-
Total Operating Revenue	4,383,157	4,105,428	3,478,206	3,888,783
Operating Expenses				
Wages and benefits	1,267,154	1,258,803	894,138	1,057,412
Professional/Contractual services	371,350	295,296	210,989	356,642
Subscription/Memberships	8,095	4,355	1,565	2,483
Utilities	330,460	293,980	281,878	321,568
Maintenance, materials and supplies	381,100	352,250	253,279	262,603
Travel	10,494	7,709	1,218	805
Amortization	-	-	-	1,199,350
Interest	672,116	684,891	679,416	601,514
Total Sanitary Sewer Services Expenses	3,040,769	2,897,284	2,322,484	3,802,376
Capital				
Conditional Grants				
- Capital Grants	-	3,440,340	872,930	5,889,175
Total Sanitary Sewer Services	\$ 1,342,388	\$ 4,648,483	\$ 1,155,722	\$ 86,407
Capital Expenditure	620,000	7,385,510	-	-
Total Sanitary Sewer Services Financial Position	\$ 722,388	\$ (2,737,027)	\$ 1,155,722	\$ 86,407

Revenues

Sanitary Sewer Services Revenue is expected to increase by 5.5% in base water and consumption rates.

Expenses

Overall expenses are projected to increase in 2023 compared to the 2022 budget in the approximate amount of \$143,000 with the main details as follows:

- Professional contractual expenses are projected to increase in 2023 compared to Budget 2022 by approximately \$76,000 or approximately 26%, mainly due to the following:
 - Cleaning bioreactor (every 2nd year) \$10,000
 - Treatment Plant testing \$5,054
 - Treatment Plant - Routine test on biosolids \$3,000
 - Treatment Plant - Clarifier repair done in 2022 - \$(4,000)

- Miscellaneous service contracts at the Treatment Plant decrease of \$(1,700)
- Replacement of lateral lines connections \$12,000
- Sanitary sewer main repairs \$40,000
- Riverview Heights lift service contracts \$11,000
- Utilities have been increased \$36,000 due to including the Riverview Heights Lift Station and realignment with current rates/expenditures.
- Maintenance, materials, and supplies are expected to increase in 2023 by approximately \$29,000 due to the following:
 - Treatment Plant equipment repairs increase of \$13,000 for a total of \$58,000
 - Treatment Plant chemicals increase of \$58,000 for a total of \$215,000
 - Treatment Plant building maintenance reduction of \$2,000
 - Reduction of small tools supplies of \$14,000
 - Sanitary sewer main equipment repair reduction of \$32,000
 - Sanitary sewer main supplies increase of \$6,000 for an annual total of \$46,000
- Interest Expense in 2023 is projected to decrease by approximately \$13,000 to adjust to agreed sewer force main loan and repayment rates.

Capital expenditures are estimated to be \$620,000. See Water & Sewer Services capital expenditures tab for details:

- Sewer Force Main
- Design and paving at WWTP Phase 1
- Wastewater treatment plant lab equipment replacement

**City of North Battleford Third Party Grants
Master Schedule – 2023**

Receiving Organization	2023 Requested
North Battleford Transit System	\$238,586
Battlefords Handi-Bus System	\$105,080
The Humane Society	\$150,000
The Lakeland Library	\$351,567
The North Battleford Library	\$153,560
Dekker Centre for the Performing Arts	\$227,610
Destination Battlefords	\$40,000
The Boys and Girls Club of the Battlefords - capital	\$15,000
The Boys and Girls Club of the Battlefords – Summer Playground program	\$28,000
North Battleford Golf and Country Club (short-term capital)	\$75,000
BTEC Capital Grant	\$10,000
River Valley Board	\$53,000
Discretionary Third-Party Grants	\$60,000

2022 Budget Information – Continuous Improvement

For the last few years, the primary focus has been cost reduction due to the impact of the pandemic on City finances and operations. Our focus now has shifted more to rebuild and stabilize. This means maintaining current service levels, if possible, while still controlling costs. The City remains committed to continuous improvement in financial, operational, and capital processes. Financial improvements can be broken down into three categories:

- Financial Improvements - changes that have improved the financial sustainability of the City's operations going forward by reducing the ongoing cost of service. This includes efficiency improvements that allow us to defer funding increases.
- Financial Management Improvements – accounting changes that have impacted the way the City's accounting and financial processes are managed.
- Levels of Service Improvement – changes impacting internal or external stakeholders within the corporation or property owners within City limits.

Below you will find an updated status report on some current City activities and new information on risk management activities.

1. Financial Improvements

- Financial Purchasing Power:
 - Municipal Buying Groups – leverage improved savings from programs offered by other municipalities, SUMA, and national buying programs. The City continues to explore potential savings through larger procurement groups.
- Facility Sustainability Improvements:
 - In 2023, we will be reviewing recent LED investment in City facilities to confirm net improved power costs and lower materials costs; due to other high priority items, this was delayed from 2022.
 - The HVAC system at City Hall was reviewed and improvements will be implemented in late 2022 or early 2023.
- Recent/New/Improved Revenue Sources:
 - Septic receiving station – is in live testing and will be operational in 2023. Once completed, there is potential for additional revenue as we could not track or charge for this type of service in the past.

2. Financial Management Improvements

- Building Maintenance and Finance worked together to review fuel allocations in the field and as a result, new procedures were created to more accurately allocate fuel to the proper equipment.

- Improved equity adjustments on fees and taxes charged:
 - Work continues to properly track and charge for garbage and recycling bins and to ensure proper billing.
 - Property Taxation improvement – continue to correct numerous property errors such as missed additions, incorrect property assessments, missed secondary suites, and incorrect taxation classifications. Many corrections related to the 2021 re-assessment were completed in 2022.
- Improved financial reporting processes:
 - Tax enforcement remains an important issue for the City as we work to improve our tax receivable balance in 2023. The 2022 year-end residential numbers will show improvement and will allow more focus on the commercial portfolio.
 - In addition to Monthly Metrics Reporting internally, quarterly financial reporting for Council and the public has been re-introduced. The reporting is based on feedback from Council and CLT and has been improved and automated to reduce the time and effort required to produce the reports.
 - A review of the current Business Licensing payment process by Planning & Development, the CSO group, and Finance led to improved tracking and a significant effort to resolve outstanding license payments. *Special thanks to the CSOs for their work on this issue.*

3. Levels of Service Improvement

- Local group partnerships – numerous local organizations continue to enjoy improved financial performance by accessing City pricing and financial management knowledge.
- The Voyent Alert! text-based application was used extensively this year to inform citizens about emergencies, traffic issues, and property tax-related deadlines in a proactive manner. Further applications of this technology will be investigated for 2023 based on user feedback.

4. Risk Management

Risk management is a critical aspect of the City’s overall financial management plan. To this end, we wanted to note some examples of proactive activities we undertook or plan to take for that purpose.

- For Parks and Recreation, we plan to establish an inventory of the most common or interchangeable pumps that have long delivery times. In the event of a mechanical failure at the pool, we may now be able to avoid a lengthy shutdown, minimize losses of revenue and disruption of service to the community.
- We are taking part in a risk assessment pilot program with SUMAssure targeting arenas and other major facilities.
- Building appraisals – in reviewing our current insurance coverage, we noted we may be under-insured in some areas or on some specific buildings. A small amount of funding has been set aside to seek current appraisals for some of our high-risk or high-value buildings next year. Depending on the result, this program may expand in the following years.

Amortization reconciliation

City of North Battleford
General Fund- Amortization Reconciliation
Forecast for the year ended December 31, 2023

	% change	2023 Budget	2022 Budget	2022 Actual	2021 Actual
				as of Nov 16, 2022	
Surplus / (Deficit) before Amortization		2,242,620	2,535,211	7,128,427	(118,334)
Amortization		(5,085,993)	(5,011,684)		(5,289,279)
Surplus / (Deficit) with Amortization		\$ (2,843,373)	\$ (2,476,473)	\$ 7,128,427	\$ (118,334)

Utilities Fund - Amortization Reconciliation
Forecast for the year ended December 31, 2023

	% change	2023 Budget	2022 Budget	2022 Actual	2021 Actual
				as of Nov 16, 2022	
Revenues					
Surplus / (Deficit) before Amortization		1,677,771	5,074,720	2,166,079	7,063,539
Amortization		(2,368,275)	(1,993,291)		(2,018,275)
Surplus / (Deficit) with Amortization		(690,504)	5,074,720	\$ 2,166,079	7,063,539

Reserves December 31, 2021

Consolidated Schedule of Accumulated Surplus

for the year ended December 31, 2021

Schedule 2

	2020 (Restated)	Changes	2021
Unappropriated Surplus (Deficit)			
Government activities	\$ 9,810,458	\$ (163,017)	\$ 9,647,441
Water	1,681,378	(1,514,429)	166,949
Sanitary sewer	(5,220,171)	(4,702,236)	(9,922,407)
Consolidated entities	58,456	122,324	180,780
Transit services	168,444	(232,254)	(63,810)
Total Unappropriated Surplus (Deficit)	6,498,565	(6,489,612)	8,963
Appropriated Surplus			
General government	100,989	480,294	581,283
Fire and protective	1,294,502	554,215	1,848,718
Operations	3,516,240	222,296	3,738,536
Waste management	836,667	382,789	1,219,456
Planning & development	(669,083)	612,887	(56,196)
Policing initiatives	461,620	(952,762)	(491,142)
Parks & Recreation	1,193,389	505,367	1,698,756
Water	3,096,672	2,736,045	5,832,717
Sanitary sewer	2,691,573	110,159	2,801,732
Total Appropriated Surplus	12,522,569	4,651,290	17,173,859
Net Investment in Tangible Capital Assets			
Tangible capital assets (Note 22)	174,703,067	9,135,173	183,838,240
Less: Related long term debt	(33,142,233)	3,269,894	(29,872,338)
Less: Related Lease and other obligations	(320,442)	109,895	(210,547)
Net Investment in Tangible Capital Assets	141,240,394	12,514,962	153,755,356
Total Accumulated Surplus	\$ 160,261,528	\$ 10,676,640	\$ 170,938,178