

Subject: 2019 Proposed Budget, 2020 – 2023 Financial Plan**APPROVALS:****Annette Antoniak**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

The following summary of the 2019 Proposed Operating Budget, 2020-2021 Financial Plan, 2019 Proposed Capital Budget and 2020-2023 Capital Plan is provided as information to inform the budget workshop discussion therefore no motion of Council is required.

Summary:

The *Municipal Government Act* (MGA) requires that every Alberta municipality approve a budget prior to passing a property tax bylaw.

Background:

Administration has continued with a zero-based budget approach in developing the proposed budget. The proposed budget is based on the allocation of funding aimed at maintaining assets, providing quality core services and capital assets to support municipal operations. In addition, the Undrawn Debt Reduction Plan that was introduced as part of the 2018 Budget is continuing, to ensure the transition to a Pay-As-You-Go philosophy for capital projects. This reduction plan will allow the Municipality to eliminate future debt service (interest and principal payments) on undrawn committed debt.

In advance of the budget workshops, a Budget Primer and video were released. The Budget Primer and video are tools to enhance public understanding of the budget process.

Residents are invited to attend the budget workshops in person, by participating in the delegation process or via the live stream video. Rural residents will also have the opportunity to watch the budget workshops at their local contact office by booking in advance.

Proposed Community Investment Program grant recipients will make presentations to

Council followed by detailed departmental operation budgets and capital project presentations.

Budget/Financial Implications:

The budget philosophy for 2019 is a continuation of the efforts of staff from all levels of the organization seeking efficiencies and savings. The 2019 Proposed Operating Budget is \$29M less than the 2018 Operating Budget and includes a \$60M budgeted allocation to reduce undrawn committed debt. The undrawn debt reduction strategy proposed would allow for the elimination of undrawn debt by the end of 2021.

The 2019 Proposed Capital Budget is \$276M, this amount includes funding allocations for capital projects in progress and/or required to maintain existing assets and life-cycle requirements.

Rationale for Recommendation:

The presentation of the 2019 Proposed Budget, 2020 - 2023 Financial Plan represents Administration's recommendation. The next steps in the budget process include incorporating changes as identified by Council during the proposed four-day budget review workshops followed by a presentation of the final budget and financial plan on December 11, 2018 for Council approval.

Strategic Priorities:

Responsible Government

Attachments:

- 1. 2019 Proposed Operating Budget and Plan**
- 2. 2019 Proposed Capital Budget, 2020 – 2023 Capital Plan**
- 3. 2019 Proposed Budget - Corporate Summary**