



## ADMINISTRATION REPORT

To: Red Deer County Council

From: Corporate Services

Date: November 28, 2016

Re: 2017-19 Red Deer County Budget

Administration is pleased to bring to Council, the 2017-2019 Operating budget (3 year) and the 2017-2021 Capital budget (5 year) for final approval. The following documents that outline these Red Deer County budgets.

1. 2017-2019 Overall Budget
2. 2017-2019 Net Service Level Budget
3. 2017-2021 Capital Budget (gross)
4. 2017-2019 Projected Reserve Position

At the November 22<sup>nd</sup> Council meeting, Administration brought this budget to Council for consideration. At that time, it was tabled for public input. Shortly after that, during Council meeting, two items were added to the 2017 budget – the Delburne arena (\$1,509,976) and Bowden Community hall funding (\$300,000) to be funded through grants and Community Services reserve transfers. Both of these items have been included in this budget version.

In summary, the following is the breakdown of the total expenditures Red Deer County will be spending on programs (gross):

	<b>2016 Budget</b>	<b>2016 Projected</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>2019 Budget</b>
Operating	46,119,224	44,301,553	45,919,576	45,956,562	45,255,856
Capital	33,904,437	30,410,624	27,957,690	16,713,938	20,403,000
Capital Debt	615,266	615,266	362,440	-	-
<b>TOTAL</b>	<b>80,638,927</b>	<b>75,327,443</b>	<b>74,239,706</b>	<b>62,670,500</b>	<b>65,658,856</b>

In 2016, we did come in slightly less than we budgeted due to lower pricing for several projects. We are expecting to use those funds to assist with future years. We are carrying forward \$1.3M to that end. The total operating budget does not vary significantly from year to year as we maintain current service levels. We are not planning for any taxation rate increases, nor do we feel a cost of living increase is applicable in this economic climate.

**Key Initiatives for 2017 and beyond:**

- Bridge Repairs - \$3.3M (2017); 5 year average - \$3.9M
- Gasoline Alley Roundabouts (2) and major upgrades to Laura and Waskasoo Ave \$7.2M
- Delburne Arena - \$1.5M
- Several Offsite studies – Hwy 2&42, Gas Alley, Springbrook,
- Infrastructure studies – Benalto & Spruce View
- Airport capital expansion request – Taxiway C upgrades \$175,000 (our portion) shared with City of Red Deer.
- Sylvan Lake Multiplex contribution (2017) - \$709,012 (2<sup>nd</sup> year)
- Canada Winter Games contribution (2017) - \$250,000 (2<sup>nd</sup> year)

Administration feels that this is an achievable and fair budget. It ties in very closely to the Strategic Plan for the County – maintaining current services levels and being prepared for future development. A key component to the budget is maintenance of our current infrastructure such as our bridges, roads, water and sewer systems and buildings. As always, we look forward to responding to your concerns and questions at Council meeting.

**RECOMMENDATIONS**

Clarify any questions or concerns you may have and approve the 2017-19 Operating budget and the 2017-2021 Capital budget as presented.

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Reviewed by: Curtis Herzberg  
County Manager