

## CITY OF FORT SASKATCHEWAN

### 2016 BUDGET ADOPTION

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#### **Motions:**

1. That Council approve the 2016 Operating Budget dated December 8, 2015, establishing total operating revenues and expenditures at \$72,295,874.
2. That Council adopt the 2016 Capital Budget dated December 8, 2015 establishing total capital revenues and expenditures at \$13,253,500.
3. That Council adopt the Fort Saskatchewan Public Library's 2016 Operating and Capital Budget, establishing total revenues and expenditures at \$1,250,195.

#### **Background:**

The *Municipal Government Act* (MGA) directs that Council approve an operating and a capital budget for each calendar year. The budget is the tool used to allocate the City's financial resources and support the various services and programs provided to residents.

Based on the final calculation of the municipal property taxes, the result of the 2016 Operating Budget is a 0.72% increase for residential taxes and a 3.57% increase for non-residential taxes over 2015's property taxes. These figures are different from those reported during budget deliberations due to Administration discovering that an error was made in the original tax impact percentage calculations. The error did not extend to the 2016 Operating and Capital Budgets, which are correct as presented, and no changes to the actual revenue and expenditures are needed. Appendix 1 outlines the overall 2016 Operating Budget inclusive of the utility budget and the decisions made by Council at this year's budget meetings.

The utility rates have been updated in the Fees and Charges Bylaw. Based on an average monthly consumption of 14 cubic meters, the average monthly bill is proposed to increase by \$2.29.

The 2016 Capital Budget is presented incorporating the changes made during this year's budget meetings. Appendix 2 provides a summary of the 2016 capital projects.

The 2016 Fees and Charges Bylaw will be presented for Council's consideration under separate cover subsequent to adoption of the 2016 Budget.

The *Libraries Act* directs that the Library Board prepare an annual budget for Council consideration. The Fort Saskatchewan Public Library's 2016 Operating and Capital Budget is attached as Appendix 3 and incorporates the City's 2016 grant increase to the Library of \$61,229.

#### **Projected Property Tax Changes**

Preliminary assessment values, combined with the 2016 Approved Budget, results in an increase to residential municipal property taxes of 0.72%, or a \$14 increase for a residential household assessed at \$400,000. As well, this results in an increase to non-residential municipal property taxes of 3.57%, or a \$343 increase for a non-residential property assessed at \$1,000,000 and a \$8,228 increase for a non-residential property assessed at \$24,000,000.

The City also collects and remits a provincial education levy and the Heartland Seniors' Foundation levy. The levies will be provided to the City by the spring of 2016, at which time the Property Tax Rate Bylaw will be prepared and presented to Council for approval.

**Recommendations:**

That Council approve the 2016 Operating Budget, Capital Budget and Library Budget as presented.

**Enclosures:**

Appendix 1 - 2016 Operating Budget

Appendix 2 - 2016 Capital Projects

Appendix 3 - 2016 Fort Saskatchewan Public Library Operating and Capital Budget

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File No.:

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| <b>Prepared by:</b>  | Shannon Andruchow<br>Senior Accountant  | Date: December 1, 2015 |
| <b>Approved by:</b>  | Jeremy Emann<br>Chief Financial Officer | Date: December 1, 2015 |
| <b>Reviewed by:</b>  | Kelly Kloss<br>City Manager             | Date: December 2, 2015 |
| <b>Submitted to:</b> | City Council                            | Date: December 8, 2015 |