



2024 Budget


Approved on January 8th, 2024
Motion #24-002

Council Presentation

December 18th, 2023



Agenda

- Budget Timeline
 - Planning Process
 - Strategic Plan
 - 2024 Budget Survey Results
 - 2024 Cycle 2 O&M Budget
 - 2024 Cycle 2 Capital Budget
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2024 Budget Timeline



Planning Process





Strategic Plan

Council High Priority Initiatives for 2024

Work to ensure that reliable water distribution is accessible to all residents and businesses in Hay River.

Complete all new and replacement infrastructure projects identified in the budget.

Divert waste from the landfill through improved recycling and waste management procedures.

Develop and implement wildfire recovery and mitigation plans.

Develop and begin implementation of flood recovery and mitigation plans.

Update planning, mapping, and bylaws to guide land and infrastructure development and flood mitigation strategies.

Develop and implement a Community Housing Plan.

Plan for the increasing likelihood and impact of extreme weather events.

Update the Agriculture Plan.



Strategic Plan

Council High Priority Initiatives for 2024

Revitalize community groups and volunteerism through promotion of benefits and recognition of commitment.

Promote a strategy based on supporting mental health and preventing issues arising from mental health challenges.

Update and enforce unsightly and abandoned premises bylaws more strictly.

Complete the electrical services franchise agreement with the Northwest Territories Power Corporation.

Implement efficiencies in town operations.

Employ workforce planning programs in Town departments that encourages training, professional development, and retention of quality staff.

Build a strong safety culture among people who work for the Town.



2024 Budget Survey Results

Background

Online and manual collection

128 respondents

Respondent Overall Satisfaction

51% Poor-Very Poor

49% Fair-Good

Service Level Satisfaction

High: Ambulance & Fire; Trucked Water; Waste Collection

Low: Fire and Flood Preparedness; Roads and Sidewalks; Landfill Mgmt.; Ec. Dev.; Land Planning

Service Level Changes

Increase: Fire and Flood Preparedness; Roads and Sidewalks; Utility Services (Water/Sewer)

Decrease: Bylaw; Recreation; Tourism



2024 Budget Survey Results

Taxes

52% Maintain taxes and fees

21% Increase taxes and fees to increase services

Multi-Government Issues

Cost of Living

Housing

Social Issues

Governance and Transparency

Evolving Topics

84% User Pay Solid Waste

63% Seniors / Disabled Tax Exemption Cap/Removal

54% Wildfire Prevention - Third Party Funding



2024 Operations & Maintenance Budget



2024 O&M Budget Assumptions

Government Funding

No changes to core GNWT / MACA funding.

Mayor & Council

Mayor and 7 Councillors honorarium budgeted.

\$20K was added to the budget for the 2024 elections.

Salaries & Wages

6% staff vacancy rate included in budget.

New position added to the fire department and increases made to compensation to the firefighters to support increased demand for services.

\$40K was added to the legal fees budget for the collective agreement bargaining.

Service Levels

No major changes to the service levels.

Increased resources for Protective Services to support increased ambulance demand, emergency management, and the workplace safety program.



2024 O&M Budget Assumptions

Fees & Charges

No changes to the 2024 rates outlined in the Fees and Charges Bylaw 4436.

Increased rates to be implemented in 2024 for ambulance billing to reflect increased operational costs.

External Funding

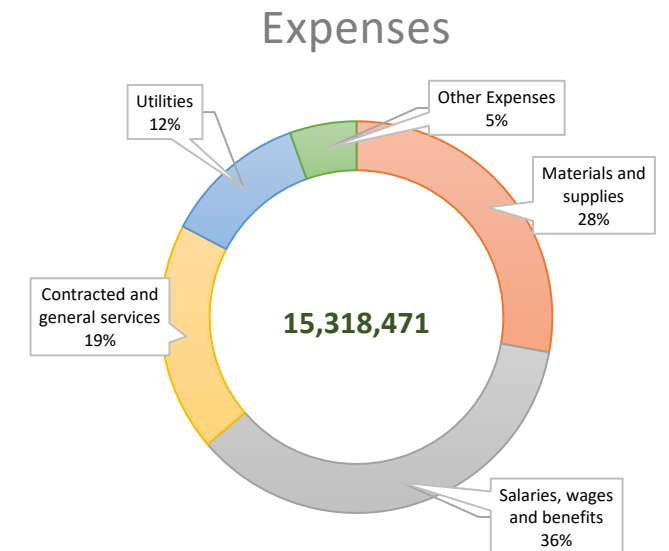
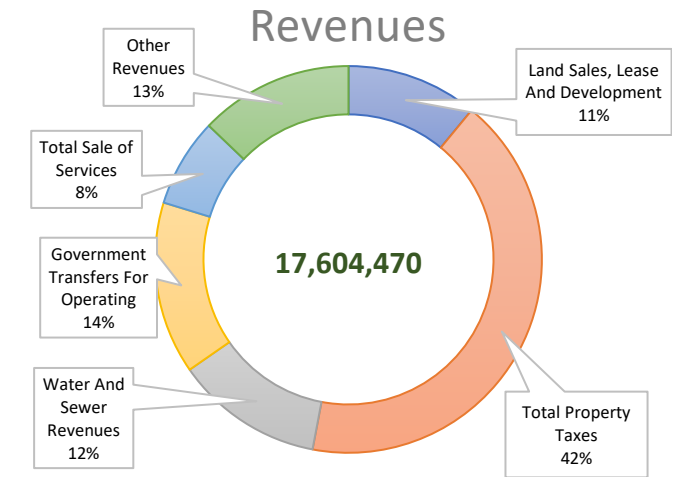
External revenues and related expenses that haven't been reasonably assured have been excluded from the budget.

Contribution to Capital

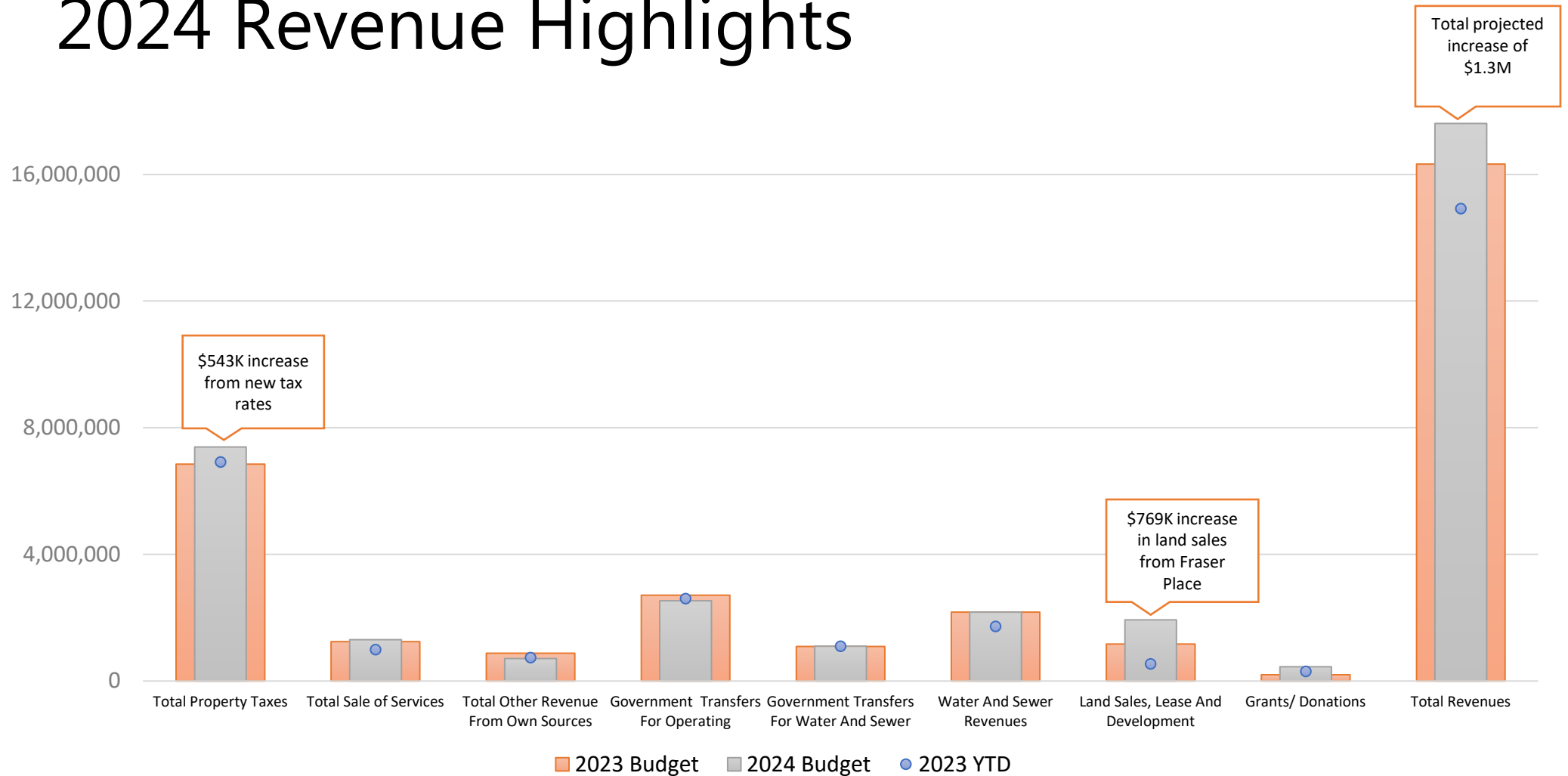
Any net revenue over expense to be allocated to reserves to fund capital projects. The budget is projected to contribute \$2.3M to capital in 2024. This equates to a \$290k increase from the prior year and is part of a 5-year plan to address capital plan underfunding.

2024 Consolidated Total

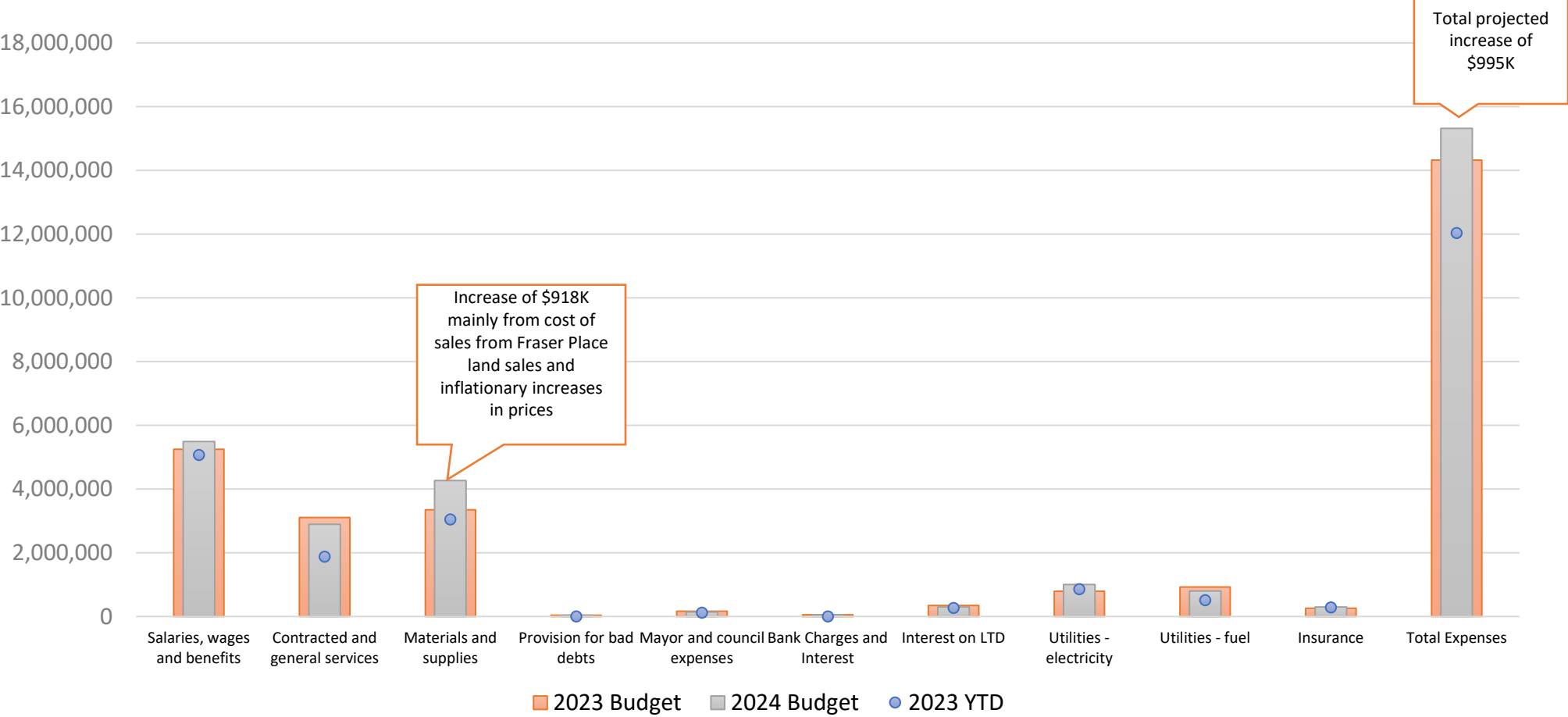
| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|--|-------------------|-------------------|------------------|------------|
| Revenues | | | | |
| Total Property Taxes | 6,852,143 | 7,395,000 | 542,857 | 8% |
| Total Sale of Services | 1,241,700 | 1,304,300 | 62,600 | 5% |
| Total Other Revenue From Own Sources | 880,000 | 711,500 | (168,500) | (19%) |
| Government Transfers For Operating | 2,712,500 | 2,536,670 | (175,830) | (6%) |
| Government Transfers For Water And Sewer | 1,095,000 | 1,097,000 | 2,000 | 0% |
| Water And Sewer Revenues | 2,175,000 | 2,177,000 | 2,000 | 0% |
| Land Sales, Lease And Development | 1,165,000 | 1,934,000 | 769,000 | 66% |
| Grants/ Donations | 202,000 | 453,000 | 251,000 | 124% |
| Total Revenues | 16,323,343 | 17,608,470 | 1,285,127 | 8% |
| Expenses | | | | |
| Salaries, wages and benefits | 5,253,538 | 5,492,200 | 238,662 | 5% |
| Contracted and general services | 3,109,250 | 2,898,473 | (210,778) | (7%) |
| Materials and supplies | 3,353,056 | 4,271,503 | 918,447 | 27% |
| Provision for bad debts | 40,000 | 40,000 | | |
| Mayor and council expenses | 171,099 | 141,350 | (29,749) | (17%) |
| Bank Charges and Interest | 60,000 | 60,000 | | |
| Interest on LTD | 350,000 | 300,000 | (50,000) | (14%) |
| Utilities - electricity | 795,100 | 1,007,000 | 211,900 | 27% |
| Utilities - fuel | 931,300 | 805,945 | (125,355) | (13%) |
| Insurance | 260,000 | 302,000 | 42,000 | 16% |
| Total Expenses | 14,323,343 | 15,318,471 | 995,128 | 7% |
| Operating Surplus/(Deficit) | 2,000,000 | 2,290,000 | 290,000 | 14% |



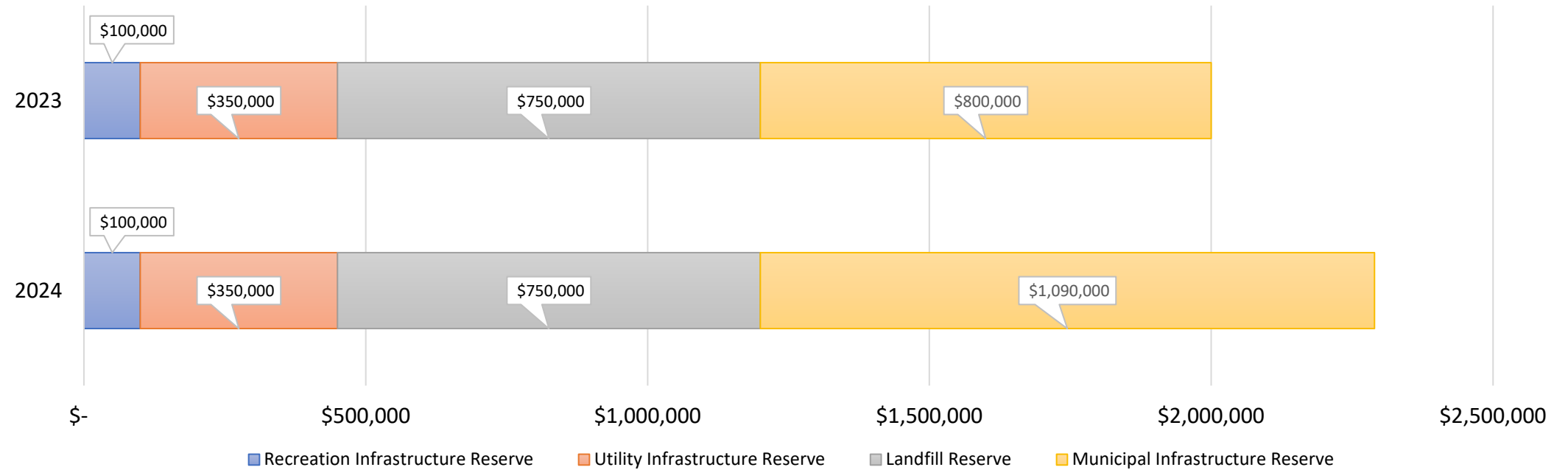
2024 Revenue Highlights



2024 Expense Highlights



2024 Contributions to Capital Reserves



10 Year Capital Funding Shortfall

Total Funding Shortfall

- The 10-year capital plan is underfunded by \$88,000,000 or \$8,800,000 a year

Major projects that are underfunded in the 10-year plan

- Water Treatment Plant - \$20,000,000
- Sundog Land Development - \$17,700,000
- Town Hall - \$7,300,000
- Municipal Solid Waste Facility (Phase I and II)- \$3,800 000
- Hoffman Way - Golf Course \$3,300,000

Funding shortfall excluding major projects

- \$35,900,000 or \$3,590,000 a year

Funding shortfall, if Town obtains 70% infrastructure funding from external sources

- \$1,077,000 per year
- This would require about a 15% increase in property tax revenues



2024 Operations & Maintenance Budget by Department

General Government Services

| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|------------------------------------|-------------------|-------------------|----------------|------------|
| Revenues | | | | |
| Total Property Taxes | 6,852,143 | 7,395,000 | 542,857 | 8% |
| Franchise Fee | 340,000 | 300,000 | (40,000) | (12%) |
| Government Transfers For Operating | 2,285,000 | 2,319,000 | 34,000 | 1% |
| Grants/ Donations | 125,000 | 270,000 | 145,000 | 116% |
| Interest Revenues | 105,000 | 105,000 | | |
| Licenses & Permits | 150,000 | 120,500 | (29,500) | (20%) |
| Other Revenue From Own Sources | 250,000 | 166,000 | (84,000) | (34%) |
| Sale of Services | 22,500 | 8,000 | (14,500) | (64%) |
| Total Revenues | 10,129,643 | 10,683,500 | 553,857 | 5% |
| Expenses | | | | |
| Salaries, wages and benefits | 1,282,397 | 1,524,300 | 241,903 | 19% |
| Contracted and general services | 335,000 | 191,000 | (144,000) | (43%) |
| Materials and supplies | 412,500 | 590,500 | 178,000 | 43% |
| Provision for bad debts | 40,000 | 40,000 | | |
| Mayor and council expenses | 171,099 | 141,350 | (29,749) | (17%) |
| Bank Charges and Interest | 60,000 | 60,000 | | |
| Interest on LTD | 350,000 | 300,000 | (50,000) | (14%) |
| Insurance | 260,000 | 302,000 | 42,000 | 16% |
| Total Expenses | 2,910,996 | 3,149,150 | 238,154 | 8% |
| | | | | |
| Operating Surplus/(Deficit) | 7,218,647 | 7,534,350 | 315,703 | 4% |

Water & Sewer Services

| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|--|----------------|----------------|----------|------------|
| Revenues | | | | |
| Government Transfers For Water And Sewer | 1,095,000 | 1,097,000 | 2,000 | 0% |
| Water And Sewer Revenues | 2,175,000 | 2,177,000 | 2,000 | 0% |
| Total Revenues | 3,270,000 | 3,274,000 | 4,000 | 0% |
| Expenses | | | | |
| Salaries, wages and benefits | 446,585 | 478,800 | 32,215 | 7% |
| Contracted and general services | 1,475,000 | 1,454,000 | (21,000) | (1%) |
| Materials and supplies | 345,000 | 322,500 | (22,500) | (7%) |
| Utilities - electricity | 165,000 | 178,000 | 13,000 | 8% |
| Utilities - fuel | 315,000 | 250,000 | (65,000) | (21%) |
| Total Expenses | 2,746,585 | 2,683,300 | (63,285) | (2%) |
| | | | | |
| Operating Surplus/(Deficit) | 523,415 | 590,700 | 67,285 | 13% |

Protective Services

| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|------------------------------------|-------------|-------------|----------|------------|
| Revenues | | | | |
| Ambulance Billings | 550,300 | 686,300 | 136,000 | 25% |
| Fire Hall | 35,000 | | (35,000) | (100%) |
| Other Revenue From Own Sources | 35,000 | 20,000 | (15,000) | (43%) |
| Government Transfers For Operating | 37,000 | 57,000 | 20,000 | 54% |
| Total Revenues | 657,300 | 763,300 | 106,000 | 16% |
| Expenses | | | | |
| Salaries, wages and benefits | 454,380 | 607,600 | 153,220 | 34% |
| Contracted and general services | 110,550 | 92,515 | (18,035) | (16%) |
| Materials and supplies | 256,006 | 237,815 | (18,191) | (7%) |
| Utilities - electricity | 67,500 | 76,000 | 8,500 | 13% |
| Utilities - fuel | 60,900 | 63,945 | 3,045 | 5% |
| Total Expenses | 949,336 | 1,077,875 | 128,539 | 14% |
| | | | | |
| Operating Surplus/(Deficit) | (292,036) | (314,575) | (22,539) | 8% |

Recreational and Cultural Services

| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|------------------------------------|--------------------|--------------------|------------------|--------------|
| Revenues | | | | |
| Recreation Other Revenues | 15,000 | 10,000 | (5,000) | (33%) |
| Recreation Rental Revenues | 276,000 | 219,000 | (57,000) | (21%) |
| Recreation Ice Revenues | 5,000 | 6,000 | 1,000 | 20% |
| Recreation Program Revenues | 60,000 | 54,000 | (6,000) | (10%) |
| Sale of Services | 87,500 | 67,000 | (20,500) | (23%) |
| Grants/ Donations | 12,000 | | (12,000) | (100%) |
| Recreation Advertising | 35,000 | 26,000 | (9,000) | (26%) |
| Government Transfers For Operating | 390,500 | 160,670 | (229,830) | (59%) |
| Total Revenues | 881,000 | 542,670 | (338,330) | (38%) |
| Expenses | | | | |
| Salaries, wages and benefits | 1,622,500 | 1,574,600 | (47,900) | (3%) |
| Contracted and general services | 554,000 | 304,850 | (249,150) | (45%) |
| Materials and supplies | 421,000 | 400,476 | (20,524) | (5%) |
| Utilities - electricity | 315,500 | 416,000 | 100,500 | 32% |
| Utilities - fuel | 510,000 | 440,000 | (70,000) | (14%) |
| Total Expenses | 3,423,000 | 3,135,926 | (287,074) | (8%) |
| | | | | |
| Operating Surplus/(Deficit) | (2,542,000) | (2,593,256) | (51,256) | 2% |

Environmental Services

| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|---------------------------------|-------------|-------------|----------|------------|
| Revenues | | | | |
| Landfill Revenues | 125,000 | 220,000 | 95,000 | 76% |
| Total Revenues | 125,000 | 220,000 | 95,000 | 76% |
| Expenses | | | | |
| Salaries, wages and benefits | 92,000 | 60,200 | (31,800) | (35%) |
| Contracted and general services | 61,200 | 121,508 | 60,308 | 99% |
| Materials and supplies | 386,000 | 465,000 | 79,000 | 20% |
| Utilities - electricity | 3,500 | 3,000 | (500) | (14%) |
| Total Expenses | 542,700 | 649,708 | 107,008 | 20% |
| | | | | |
| Operating Surplus/(Deficit) | (417,700) | (429,708) | (12,008) | 3% |

Transportation and Public Works

| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|---------------------------------|-------------|-------------|-----------|------------|
| Expenses | | | | |
| Salaries, wages and benefits | 1,223,626 | 1,093,700 | (129,926) | (11%) |
| Contracted and general services | 488,500 | 572,000 | 83,500 | 17% |
| Materials and supplies | 615,650 | 598,412 | (17,238) | (3%) |
| Utilities - electricity | 241,000 | 330,000 | 89,000 | 37% |
| Utilities - fuel | 43,000 | 50,000 | 7,000 | 16% |
| Total Expenses | 2,611,776 | 2,644,112 | 32,336 | 1% |
| | | | | |
| Operating Surplus/(Deficit) | (2,611,776) | (2,644,112) | (32,336) | 1% |

Tourism

| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|---------------------------------|-------------|-------------|----------|------------|
| Revenues | | | | |
| Tourism Revenue | 30,400 | 8,000 | (22,400) | (74%) |
| Grants/ Donations | 65,000 | 183,000 | 118,000 | 182% |
| Total Revenues | 95,400 | 191,000 | 95,600 | 100% |
| Expenses | | | | |
| Salaries, wages and benefits | 132,050 | 153,000 | 20,950 | 16% |
| Contracted and general services | 12,000 | 162,600 | 150,600 | 1255% |
| Materials and supplies | 71,900 | 66,800 | (5,100) | (7%) |
| Utilities - electricity | 2,600 | 4,000 | 1,400 | 54% |
| Utilities - fuel | 2,400 | 2,000 | (400) | (17%) |
| Total Expenses | 220,950 | 388,400 | 167,450 | 76% |
| | | | | |
| Operating Surplus/(Deficit) | (125,550) | (197,400) | (71,850) | 57% |

Land Development

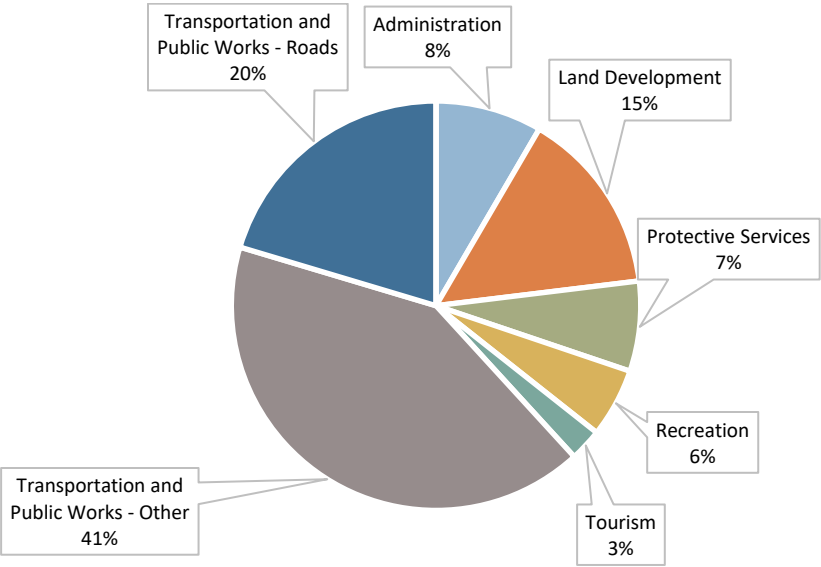
| Statement of Operations | 2023 Budget | 2024 Budget | Variance | % Variance |
|-----------------------------------|-------------|-------------|----------|------------|
| Revenues | | | | |
| Land Sales, Lease And Development | 1,165,000 | 1,934,000 | 769,000 | 66% |
| Total Revenues | 1,165,000 | 1,934,000 | 769,000 | 66% |
| Expenses | | | | |
| Contracted and general services | 73,000 | | (73,000) | (100%) |
| Materials and supplies | 845,000 | 1,590,000 | 745,000 | 88% |
| Total Expenses | 918,000 | 1,590,000 | 672,000 | 73% |
| | | | | |
| Operating Surplus/(Deficit) | 247,000 | 344,000 | 97,000 | 39% |



2024 Capital Plan

Expenditure Summary: 2024 Budget vs. 2023 Budget

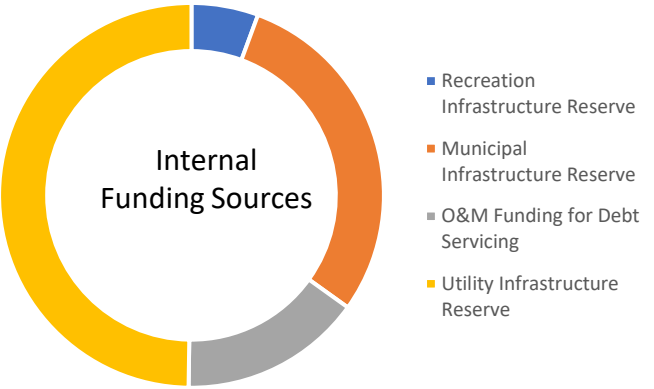
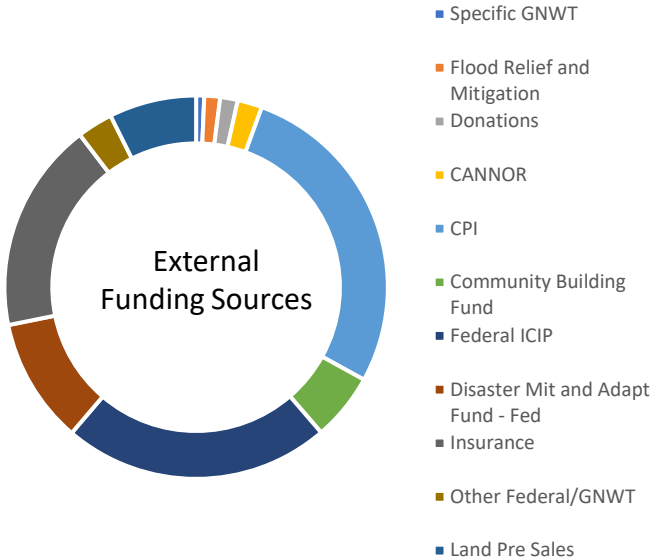
| Department | 2024 Budget | 2023 Budget |
|---------------------------------|-------------------|-------------------|
| Administration | 1,016,000 | 819,000 |
| Land Development | 1,767,968 | 1,500,000 |
| Protective Services | 859,000 | 517,500 |
| Recreation | 659,000 | 1,794,000 |
| Tourism | 309,000 | 47,000 |
| Transportation and Public Works | 7,458,250 | 10,155,050 |
| | 12,069,218 | 14,832,550 |



2024 Capital Funding Sources

| External Capital Funding Source | 2024 |
|-----------------------------------|-------------------|
| Specific GNWT | 69,000 |
| Flood Relief and Mitigation | 135,000 |
| Donations | 150,000 |
| CANNOR | 209,600 |
| CPI | 2,775,703 |
| Community Building Fund | 574,221 |
| Federal ICIP | 2,280,610 |
| Disaster Mit and Adapt Fund - Fed | 1,070,716 |
| Insurance | 1,800,000 |
| Other Federal/GNWT | 304,000 |
| Land Pre Sales | 745,000 |
| Total | 10,113,850 |

| Internal Capital Funding Sources | 2024 |
|-----------------------------------|------------------|
| Recreation Infrastructure Reserve | 110,000 |
| Municipal Infrastructure Reserve | 572,400 |
| O&M Funding for Debt Servicing | 300,000 |
| Utility Infrastructure Reserve | 972,968 |
| Total | 1,955,368 |



2024 Capital Plan -Public Works-Roads

| Project Name | 2024 Total | Debt and/or Unfunded |
|---|------------|----------------------|
| 553 - Preliminary Drainage Plan | | |
| Airport Road Repair and Upgrade | | |
| Beaver Cres. Water, Sewer and Drainage Replacement | | |
| Capital Drive Watermain, Sidewalk and Roadworks | | |
| Industrial Drive Base Upgrade, Paving and Underground | | |
| Paradise Road Repair and Replacement | | |
| Riverview Drive Upgrades | | |
| Lagoon Road Fire Abatement & Cleanup | | |
| Paradise Access Road Erosion Assessment | | |

| Legend |
|--------------------|
| Less than 100,000 |
| 100,001 to 499,999 |
| Over \$500,000 |

2024 Capital Plan -Public Works-Other

| Project Name | 2024 Total | Debt and/or Unfunded |
|--|------------|----------------------|
| Aspen Heights Subdivision Development | | |
| Biomass District Heating System | | |
| Cemetery Expansion - New Site | | |
| Fire Hall/Town Hall Demolition | | |
| Fraser Place Subdivision Development | | |
| Hazardous Waste Removal | | |
| Industrial Area Drainage | | |
| Infrastructure Planning and Studies | | |
| Lift Station 1 Mitigation | | |
| Lift station 1 Repair | | |
| Miron Storm Outlets Improvements | | |
| Miron/ John Mapes/ Riverbend Storm and Sewer Manhole Upgrades | | |
| Municipal Solid Waste Facility (Phase I and II) | | |
| Pickup Truck Replacements | | |
| Pumps and Generator Replacements at Lift Stations | | |
| Shoreline Flood Mitigation | | |
| Storm Backflow Flood Valves | | |
| Tire Recycling Program | | |
| Vale Island/West Channel Drainage | | |
| Water Treatment Plant Feasibility Study and Preliminary Design | | |
| Lift Station # 3 Replacement | | |
| Small Capital | | |
| NFTI Remediation (cleanup and removal of old structures) | | |
| Grader Repair | | |
| Industrial Area Expansion- preliminary design | | |

| Legend |
|--------------------|
| Less than 100,000 |
| 100,001 to 499,999 |
| Over \$500,000 |

2024 Capital Plan - Recreation

| Project Name | 2024 Total | Debt and/or Unfunded |
|--|------------|----------------------|
| Bob McMeekin Park Enhancements | | |
| Don Wright Park Revitalization | | |
| Ice Resurfacer | | |
| Replace Playground Fall Zones | | |
| Riding Mower Replacements | | |
| Skatepark Upgrades | | |
| Skating ice surface painting machine | | |
| Vale Island Multi-Use Recreation Area | | |
| Hay River Golf Course - Golf Green Replacements & Clubhouse enhancements | | |
| Small Capital Program - Recreation | | |
| Ray Benoit Rink Replacement | | |

| Legend |
|--------------------|
| Less than 100,000 |
| 100,001 to 499,999 |
| Over \$500,000 |

2024 Capital Plan –Administration & Tourism

| Project Name | 2024 Total | Debt and/or Unfunded |
|--|------------|----------------------|
| Asset Management System Implementation | | |
| Computer Equipment Replacement Program | | |
| Debt Service Community Center - CPI and Donation Portion | | |
| Downtown Beautification and Accessibility Project | | |
| Kayak Stations | | |
| Online Payroll System | | |
| Small Capital Program - Tourism and Economic Development | | |
| VIC Septic Tank Replacement | | |
| Virtual Server | | |
| EV Charging Station | | |
| Visitor Information Way finder Signage Development | | |

| Legend |
|--------------------|
| Less than 100,000 |
| 100,001 to 499,999 |
| Over \$500,000 |

2024 Capital Plan – Protective Services

| Project Name | 2024 Total | Debt and/or Unfunded |
|--------------------------------|------------|----------------------|
| Bylaw Truck Replacement | | |
| Heavy Rescue Truck Replacement | | |
| Vehicle extrication tools | | |

| Legend |
|--------------------|
| Less than 100,000 |
| 100,001 to 499,999 |
| Over \$500,000 |