

**APPROVED
DECEMBER 6, 2022**

BUDGET 2023

TOWN OF HINTON





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INTRODUCTION

This Budget 2023 document presents the Town of Hinton's approved 2023 Operating Budget, the 2023 Capital Budget, and highlights from the 2023-2027 Capital Plan, including key priorities for each department within the municipal organization.

This document provides an overview of the resources to be allocated for the delivery of daily services, including costs to run community facilities, community events, public safety, social programs, and maintaining and operating essential infrastructure like roads, utilities, and pathways.

Budget 2023 aligns directly with the Town of Hinton's Strategic Plan, providing for the needs and aspirations of our residents, visitors, and business owners in a fiscally responsible manner.

PRIORITIES

The 2023 Budget was prepared to align with priorities from Council and the public, using information gathered in the 2023 Budget Public Survey.

Council wanted to see service levels maintained while minimizing property tax increases for residents and capitalizing on grant opportunities.

Similarly, in the 2023 Budget Public Survey, respondents indicated their most important priorities were improving organizational efficiency and effectiveness (64% voted 'very important'), maintaining service levels (59% voted 'very important'), and minimizing a tax levy increase (52% voted 'very important').

With these priorities in mind, the Town balanced external inflation pressures (approximately 6.5% in 2022) with expenditure reductions that did not compromise the level of service to Hinton residents.



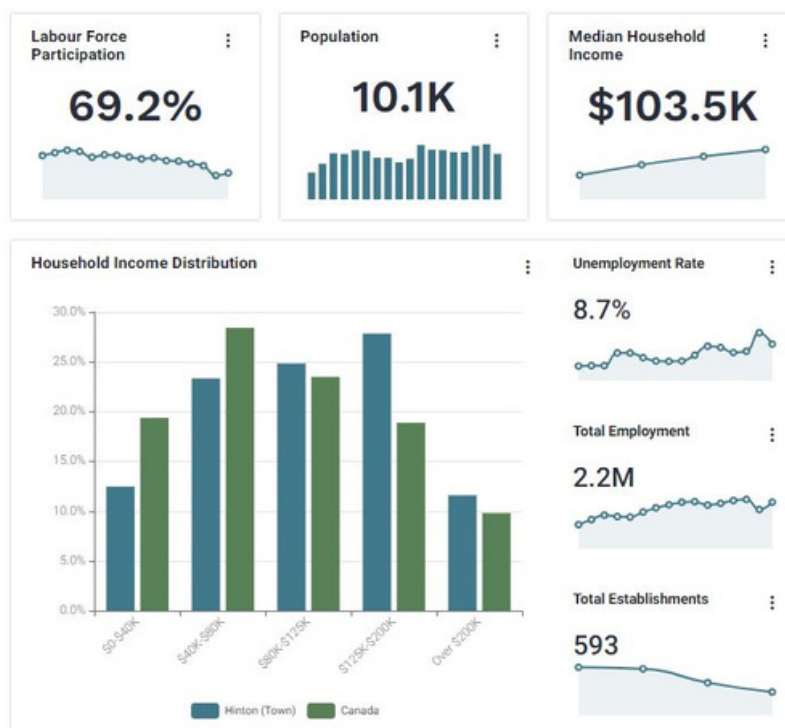
WHO WE SERVE

HINTON IS A DIVERSE TOWN AND WE STRIVE TO MEET THE NEEDS OF ALL OUR RESIDENTS AND VISITORS.

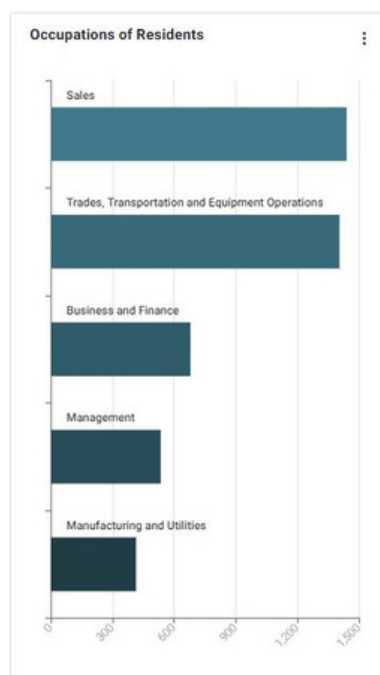
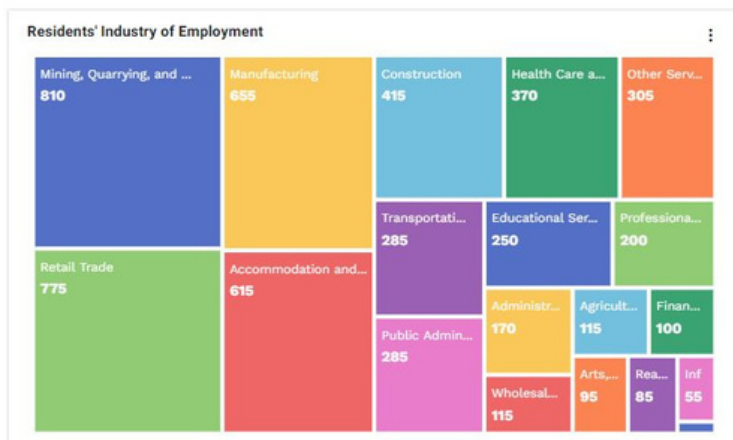
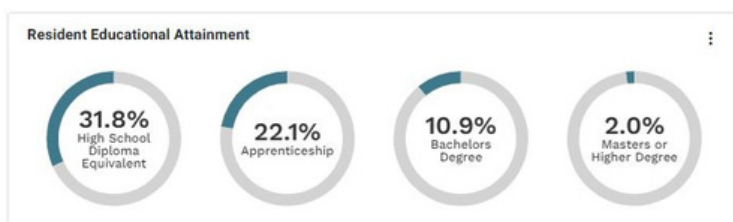
Hinton has a population of approximately 10,100. There are about 4,000 households with an average household size of 2.4 people. The median age of Hinton residents is 38.

Approximately 74% of Hintonites are homeowners and approximately 26% are renters. The most common type of dwelling is Single Detached, (55.6% of Hinton homes).

Residents' median income is \$44.7k, and median household income is \$103.5k.



Data from www.hinton.ca via Localintel



Hinton's top employment sectors are Mining, Quarrying, and Oil and Gas extraction, Retail Trade, Manufacturing, Accommodation and Food Services, and Construction.

The top occupations of residents are Sales, Trades, Transportation and Equipment Operations, Business and Finance, Management, and Manufacturing and Utilities.

PROPERTY TAX 101

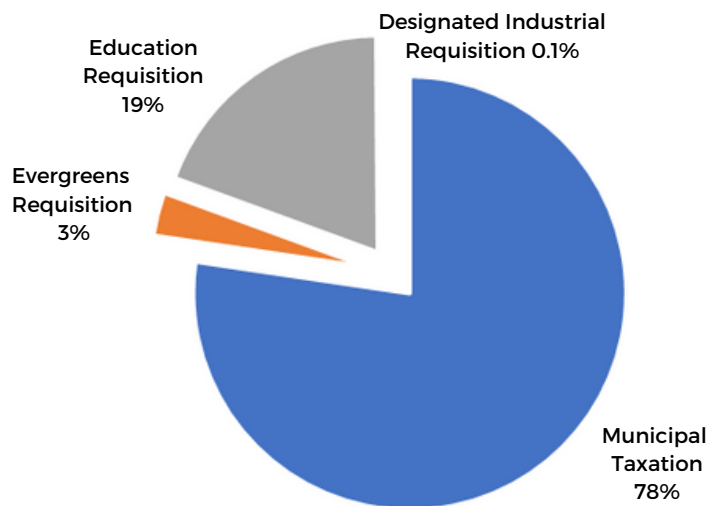


WHAT ARE PROPERTY TAXES & HOW MUCH DO I PAY?

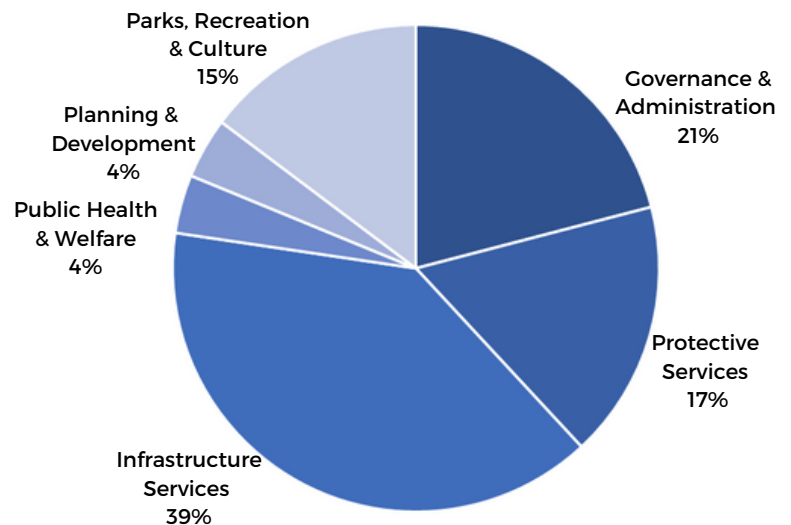
Property taxes are a primary source of revenue for municipalities and are used to finance local programs and services. Each year, Council determines the amount of money required to operate the Town for the year ahead. From this, known revenues such as licences, grants, permits, and user fees are subtracted. The remainder (the revenue requirement) is the amount of money the municipality collects through property taxes in order to provide programs and services throughout the year.

The Town of Hinton collects taxation for municipal services as well as for the provincial education levy, the Evergreens Foundation levy for senior housing, and the designated industrial assessments levy that is paid to the Province. The tax levy distribution can be seen below:

Tax Levy Distribution



Municipal Taxation Distribution



HOW MUCH YOU PAY IN PROPERTY TAXES IS BASED ON THE ASSESSED VALUE OF YOUR PROPERTY

Each year, the market value of your property is assessed for taxation purposes. We then calculate your property tax contribution using the equation:

$$\text{Assessed Value} \times \text{Tax Rate} / 1000 = \text{Property Taxes}$$

Find further information about Assessments and Taxation on the Town of Hinton website at www.hinton.ca/taxes.



WHAT AM I PAYING FOR?

Every \$100 you contribute in property taxes pays for:

\$21 ROADS, SIDEWALKS & UTILITIES

\$19 BUILDINGS, VEHICLES & ASSETS

\$17 PROTECTIVE SERVICES (FIRE, BYLAW, RCMP)

\$16 ADMINISTRATION (CAO, IT, HR, COMMUNICATIONS, ACCOUNTING)

\$15 PARKS, RECREATION & CULTURE

\$4 PUBLIC HEALTH (FAMILY & COMMUNITY SUPPORT SERVICES, CEMETERY)

\$4 PLANNING & DEVELOPMENT

\$4 COUNCIL

For example, if you own a residential property valued at \$350,000, your property taxes in 2022 would have been \$3,016. This divides into:

- \$633 for Roads, Sidewalks and Utilities
- \$573 for Buildings, Vehicles and Assets
- \$516 for Law Enforcement
- \$486 for Administration
- \$452 for Parks, Recreation and Culture
- \$121 for Public Health
- \$121 for Planning & Development
- \$121 for Council

HOW DOES HINTON COMPARE?



HOW MUCH DO I PAY COMPARED TO OTHER COMMUNITIES?

In 2022, the Town of Hinton's residential tax rate was **8.6%** (made up of 5.5% for municipal services, 2.6% for education, and 0.5% for seniors housing).

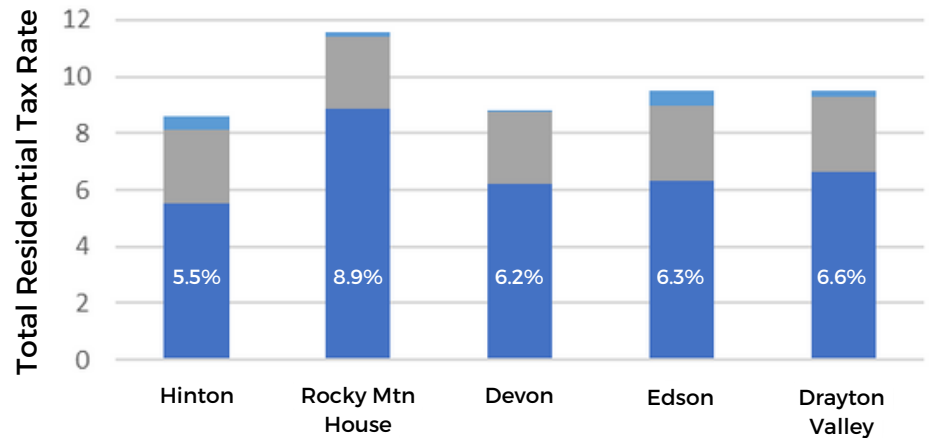
Comparatively, Edson's residential tax rate was 9.5%, Devon's was 8.8%, Drayton Valley's 9.5%, and Rocky Mountain House's 11.6%.

Effective July 1, 2022, the Town of Hinton's Utility Rates were subject to a 4% increase and set as follows for bimonthly charges:

- Water Flat Rate - \$77.60
- Sewer Flat Rate - \$32.26
- Waste Management Fee (Residential) - \$27.20
- Waste Management Fee (Commercial) - \$78.54
- Capital Enhancement Fee - \$10.82
- Water Treatment Surcharge - \$5.41

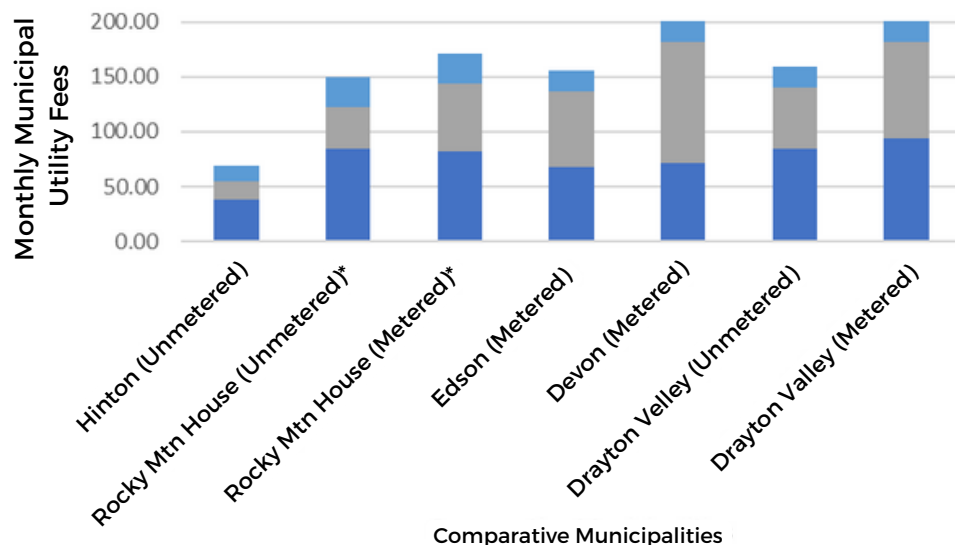
Hinton's water and sewer rates are flat charges, not based on how much water you use. Some other municipalities bill households with fitted water meters according to their consumption.

In the comparison table to the right, the metered fees were calculated using estimated water usage of a four-person residential home with energy efficient appliances, whose residents do not wash their vehicle at home or water their lawn.



Comparative Municipalities

■ Municipal ■ Education ■ Seniors Housing



■ Water Rate ■ Sewer Rate ■ Waste Management Rate

*Rocky Mtn House's monthly fee includes a municipal recycling fee

2023 OPERATING BUDGET OVERVIEW

The Town of Hinton Operating Budget provides the financial allocations to support the delivery of efficient daily services.

The funds committed to supporting specific programs and service branches are directly related to the draft proposed priority focus areas and the long-term vision for the Town. The Operating Budget must contain all possible forecasted costs required by the Town to carry out operations and meet specified financial obligations and challenges.

The 2023 Operating Budget with revenues and expenses totaling \$28,397,545 will be supported through taxation at a rate not to exceed 3.9% more than what ratepayers experienced in 2022. Council directed Administration to ensure the increase cap is met by a reduction to the annual contribution to reserves.

Please note the budget may be subject to midterm adjustments by Council in alignment with the 2023 Rate of Taxation Bylaw.



Revenue	2023 Budget	2022 Budget
Sources of funds		
General Taxes	\$19,561,293	\$18,835,224
Requisitions	-\$5,735,352	-\$5,735,351
Net Municipal Taxes	\$13,825,941	\$13,099,872
Government Transfers for Operating	\$4,063,833	\$3,970,995
User Fees and Sale of Goods	\$7,176,625	\$6,740,457
Fines	\$110,005	\$310,000
Franchise Fees	\$1,844,523	\$1,732,520
Investment Income	\$222,302	\$143,760
Rentals	\$477,580	\$465,360
Other Revenue	\$106,870	\$138,566
Development Levies	\$10,000	\$21,000
Penalties on Taxes	\$180,863	\$168,625
Gain on Disposal of Assets	-	-
Licences and Permits	\$184,003	\$262,000
Interdepartmental Transfers	-	\$1,594,315
Total Revenue Funding Sources	\$28,202,545	\$28,647,470
Transfers from Reserves	\$195,000	\$969,000
Total Funds Available	\$28,397,545	\$29,616,470

Values rounded to the nearest dollar

Expenses	2023 Budget	2022 Budget
Operating Expenses by Nature		
Salaries, Wages & Benefits	\$12,797,500	\$12,342,594
Contracted & General Services	\$7,613,683	\$7,086,879
Materials, Goods, Supplies & Utilities	\$3,577,617	\$3,346,661
Amortization of Tangible Capital Assets	\$5,050,871	\$4,701,569
One-Time Operational Projects	\$287,360	\$658,571
Transfers to Local Boards & Agencies	\$553,714	\$581,600
Long Term Debt Interest	\$161,498	\$158,111
Bank Charges and Short Term Interest	\$28,086	\$28,085
Interdepartmental Transfers	-	\$1,522,416
Total Operating Expenditures	\$30,070,329	\$30,456,486
Long Term Debt Principal	\$586,114	\$689,553
Transfers to Reserves	\$2,791,952	\$3,172,000
Total Non-Operational Expenditures	\$3,378,096	\$3,861,553
Total Expenditures	\$33,448,425	\$34,318,039
Less: Non-cash item Amortization	-\$5,050,871	-\$4,701,569
Total Expenditures Less Amortization	\$28,397,545	\$29,616,470

Values rounded to the nearest dollar



BUDGET BY DEPARTMENT

The Town of Hinton is structured into five departments: CAO's Office, Community Services, Corporate Services, Infrastructure and Development Services, and Protective Services.

Each department has an approved Operating Budget to fund their day-to-day services throughout the year, as well as work on strategic priorities, aligned with the Town's Strategic Plan, and other operational projects.

CAO'S OFFICE

CAO, GOVERNANCE, HUMAN RESOURCES

Strategic & Operating Priorities 2023

- Advance the Strategic and Tactical Plan
- Actively manage the competitive grant process, as measured by increased revenue, application rate and success rate
- Improve and update policies, procedures, and bylaws
- Progress towards a water treatment final solution
- Performance Management Reviews completed for all employees
- Work with Yellowhead County on a joint application to the Province on Crown Land Annexation and pursue opportunities to obtain Crown Lands in Hinton
- Confirm Town of Hinton delivery on Economic Development
- Consider and implement a compensation review
- Develop a policy aligning COLA increases that are consistent between unionized and non-unionized staff
- Work with Explore Alberta Northern Rockies and Hinton and District Chamber of Commerce to start a Destination Marketing Organization (DMO) and Destination Management Fee (DMF)
- Complete Council review of Service Level Review and develop action plan
- Develop and implement a psychological Health and Safety plan

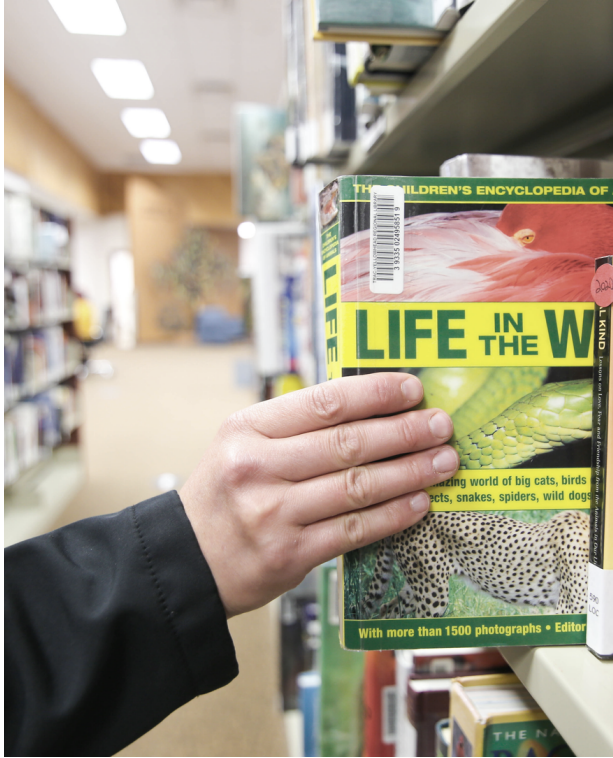
2023 BUDGET

\$1,579,985

2022 BUDGET

\$1,152,440





COMMUNITY SERVICES

PARKS, RECREATION, CULTURE, FAMILY & COMMUNITY SUPPORT SERVICES (FCSS), TRANSPORTATION, LIBRARY SERVICES

Strategic & Operating Priorities 2023

Parks, Recreation & Culture

- Create a Tactical Plan for the Parks, Open Spaces, and Trails Master Plan
- Update the Parks & Recreation Service Levels policy and add Culture
- Complete a Trails Level of Service Policy
- Complete a Trails Connectivity Plan
- Develop a Parks Operating Standard in consultation with ratepayers and users
- Rehabilitate the Beaver Boardwalk (grants and reconstruction year one)
- Work with Emergency Services on accessibility, location markers, and park signage
- Develop and implement Wayfinding Signage Plan
- Review procedures around logistical markers and culture and heritage signs

Family & Community Support Services (FCSS)

- Create a Level of Service policy
- Implement and maintain Alberta Rural Renewal Stream Program
- Develop and roll out 13 new programs
- Engage local seniors on what their needs are now and in the future

Library Services

- Create a Level of Service document
- Revamp children's area of library
- Review Coal Branch Archive holdings

	2023 BUDGET	2022 BUDGET
PARKS, RECREATION & CULTURE INCLUDING LIBRARY SERVICES	\$2,999,933	\$3,121,834
FAMILY & COMMUNITY SUPPORT SERVICES	\$523,953	\$449,869
TRANSIT	\$362,185	\$362,185



CORPORATE SERVICES

ACCOUNTING, LEGISLATIVE SERVICE, INFORMATION
TECHNOLOGY, COMMUNICATIONS, LEGAL, INSURANCE

Strategic & Operating Priorities 2023

- Review and update bylaws and policies including utility bylaws, Non-Residential Tax Incentive Bylaw, Communications Policy, and Social Media Policy
- Develop a land acquisition reserve
- Review annually tax and fee structure for all services with similar surroundings
- Maintain fee structure to support levels of services
- Encourage residents to use Hinton Listens website portal to register complaints and seek information
- Bring forward Budget Policy to Council outlining budget process expectations
- Increase interdepartmental leadership and support
- Conduct a review of services and service levels resulting in the creation of reliable data to be instrumental in facilitating annual budget preparation and asset management activities

2023 BUDGET

\$1,793,965

2022 BUDGET

\$1,778,395

DEVELOPMENT & INFRASTRUCTURE SERVICES

CAPITAL PLANNING, CONSTRUCTION, PLANNING & DEVELOPMENT SERVICES, WATER & WASTEWATER MANAGEMENT, ROADS & SIDEWALKS, WASTE & RECYCLING, BUILDING MAINTENANCE, FLEET MANAGEMENT

Strategic & Operating Priorities 2023

- Initiate conversations with Alberta Environment and Parks (AEP) regarding a Town-owned water licence
- Update and renew the water and wastewater agreement with West Fraser
- Hold an annual developer workshop to identify barriers and where the Town can reduce red tape
- Review, improve, and simplify online information to ensure application requirements are current and clearly communicated
- Council orientations on planning process and pending developments
- Prepare an inventory of developable land in Hinton
- Promote available properties
- Collaborate with customers to develop a “can do” culture improving customer service and satisfaction
- Complete review and analysis of fleet greening options for the 2024 capital program



	2023 BUDGET	2022 BUDGET
DEVELOPMENT SERVICES	\$956,896	\$937,308
INFRASTRUCTURE SERVICES	\$3,647,469	\$3,596,152



PROTECTIVE SERVICES

FIRE RESCUE, BYLAW SERVICES, RCMP SERVICES, HEALTH & SAFETY SERVICES

Strategic & Operating Priorities 2023

- Develop and implement of a new level of service policy for all forward facing and unlegislated service areas under Protective Services
- Implement recommendations from the 2018 Hinton Fire Rescue Fire Service Master Plan and 2022 Underwriters Survey
- Review and update bylaws and policies including Animal Control Bylaw, Peace Officer Policy and Procedure Manual, and Taxi Bylaw
- Purchase Engine 27 replacement
- Review Training Program, Education and Certification requirements
- Develop strategies to change and enhance the Work Experience Program (WEP) and rewrite WEP contract agreement
- Review and update all departmental positions
- Improve Fire Safety Code Inspection Program
- Undertake an analysis of community policing responsibilities to determine most efficient and effective deployment of resources
- Review Animal Licences process to ensure the Town records are up to date and animals are properly licensed
- Conduct an Emergency Management Agency meeting and update Municipal Emergency Plan
- Generate an Emergency Management Regional Training Exercise

	2023 BUDGET	2022 BUDGET
PROTECTIVE SERVICES	\$1,536,701	\$1,551,988
RCMP	\$2,349,132	\$1,957,932

CAPITAL PLAN

Capital assets include the infrastructure, machines, equipment, land, technology, and facilities that support the hundreds of municipal services that are delivered to residents every day. Due to their critical role in our community, it is necessary to plan for their maintenance and repairs, as well as the construction of new capital assets in order to maintain quality of life for residents.

The 2023 Capital Budget includes projects totaling \$8,426,242, plus an additional \$1,708,353 to be carried forward from the 2022 approved Capital Budget. This budget focuses largely on major rehabilitation and upgrades to infrastructure below the ground, as well as items identified as critical in Town facilities.

The Town is committed to seeking out any and all grants to support the approved Capital Budget and will be seeking funding from the Municipal Sustainability Initiative and Canada Building Fund allocations for up to 65% of the identified 2023 projects.



Values rounded to the nearest dollar
Budgets marked with a * are funds carried forward from 2022

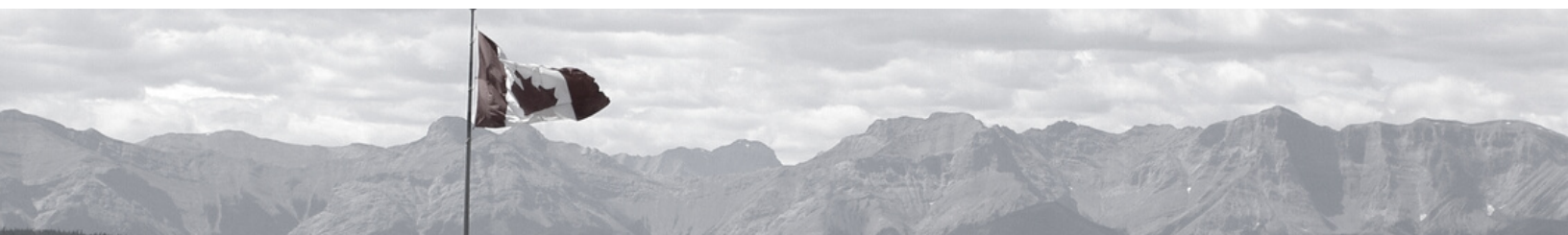
2023 Project	Budget	Notes
Columbarium	\$31,237*	
Maxwell Lake Bridge	\$249,116*	Grant funded
Customized hood fan construction	\$55,000*	
Switzer Drive water/sanitary upgrades	\$350,000	
Hardisty to Tamarack water/sanitary upgrades	\$350,000* + \$50,000	
Hardisty Avenue water/sanitary upgrades	\$1,600,000	
Engine 27 replacement	\$600,000*	
Server replacement	\$146,000*	
Spray Park resurfacing	\$132,000*	
Gregg Avenue waterline, Smitty's to Holiday Inn	\$110,000* + \$1,635,000	
Valley District parking lot	\$95,000	
Snowblower replacement	\$196,000	
Sherwood slope failure	\$180,000	

Continued on following page

2023 Project	Budget	Notes
Online Chlorine Instrument replacement	\$20,000	
Recirculation System Valves	\$48,800	
Water distribution rehabilitation/replace	\$75,000	
High Lift Pump Variable Frequency Drive	\$70,000	
Hillcrest Pumphouse upgrades	\$35,000	
Membrane Module replacements	\$389,740	
Asphalt resurfacing - Switzer Drive	\$330,804	
West River Road and Wayandi Avenue guardrail	\$45,000	
Boiler and hot water tank - Government Centre	\$165,000	
RCMP storm water management	\$35,000*	
Beaver Boardwalk rehabilitation	\$2,400,000	Contingent on grant funding
Advanced aquatic equipment	\$15,053	
Aquatic lift	\$12,402	
Pool slide	\$66,813	
Finishing mower deck attachment	\$26,000	
Infield groomer	\$7,600	
Pool witbit	\$21,030	
Valley tri sport court resurfacing	\$97,000	
Highway corridor metal silouehettes	\$30,000	
Retaining wall at Fire Hall	\$35,000	Contingent on Council approval
AFRRC radios	\$361,000	Contingent on grant funding
Beautification Highway 16	\$53,000	Contingent on Council approval
Arena speaker system	\$8,000	Contingent on Council approval
Robotic lawn care system	\$8,000	Contingent on Council approval
Total Capital Budget 2023	\$10,134,595	

Capital Plan 2023-2027

Future projects earmarked for funding in 2024-2027 include Aquatic Centre upgrades, park improvements, water distribution and wastewater collection rehabilitation/replacement, and Public Works equipment upgrades.



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