

800 FISCAL SERVICES

801 REVENUES

The municipality derives 73 % of its revenues from property taxation on the assessment base, 65 % from the oil and gas industry and commercial and 35 % from agricultural and residential property. The other revenue generating areas are grants, drilling licenses, interest and various services provided by the municipality.

802 EXPENDITURES

The municipality spends an average of 61% of its revenues on transportation service, which is all road related items, including wages, supervision, machinery and liability insurance. There is on average 21% allocated to fiscal services which are reserves for future road building, gravel, capital equipment and the mandated general reserve.

There is approximately 14% allocated to general government services which includes all administration costs such as council remuneration, travel, administration salaries, office supplies, tax collection costs, assessment costs, general insurance, election costs and annual memberships.

The remaining 6% is directed to protective, environmental health, environmental development, recreation and cultural services.

803 FIVE YEAR PLAN

The municipality has a five-year financial plan in place which is reviewed and updated each year at budget time. The plan was developed in April 1996, it sets out the policy, objectives and goals for the municipality's financial planning.

803.1 PLANNING POLICY

That the municipality has a five-year planning committee established to review a 5- year roll over plan to be presented annually. Appointments 200-10.99.

803.2 PLANNING OBJECTIVES

To develop and maintain a 5- year rolling plan for the operation of the municipality with consultation with various committees to be presented to council for approval and implementation each year.

803.3 PLANNING PROCEDURE

The planning procedure each year shall include an inventory of the municipalities' current assets and liabilities including maintenance of the municipalities' infrastructure, an evaluation of the assets and liabilities and project the financial needs over a five-year period.

803.4 FIVE YEAR GOALS

The main goal of the five year plan is to maintain a sound financial standing and prevent large fluctuations in the levies and the municipal taxes paid by the property owners in the R.M. of Gull Lake.

The plan sets out the following goals to guide the annual budgeting process:

- 5% capital
- 6% gravel reserve to replenish inventory
- 5% reserves for future expenditures
- 4 miles of road reconstruction of all classes

The aim of the plan is to maintain \$800,000 financial reserves by the end of the five years through the 10% reserves as follows:

- 300,000 cash on hand for capital replacement
- 500,000 reserves for future expenditures including general & road construction.

The goal adopted by council is to maintain a capital reserve of \$300,000 and general reserve of \$500,000 for a total of \$800,000 without large fluctuations in mill rates.

803.5 ROAD WORK

The five-year plan indicates an average of 4 miles of designated roads a year, if road work falls short of the average miles, then the balance of the money must be set aside into a road construction reserve for the future.