



**parkland**  
**county**

**2014 – 2017 Budget Overview**

**December 10, 2013**



## **Budget Process Overview**

The budget process provides an opportunity for Council and Administration to examine all service areas from a budget perspective and determine the amount of resources that will be required in the current year and the future three years to improve, reduce or maintain each service. The municipal budget puts into operational practice the strategies established in the Strategic and Business Plans. The municipal budget will provide administration with the resources needed to accomplish Council's desired program and service level goals.

On June 11, 2013, Council approved the 2014-2017 budget parameters and guidelines and directed administration to prepare a draft budget on the basis of a 2.0% tax rate increase. From that point forward, administration has worked on preparing a budget that meets this direction as well as delivers programs and services that allow Parkland County to be the rural community of choice. This results in creating one of the most competitive business environments in Alberta in addition to enhancing the quality of life for its residents.

As stated in Council's Strategic Plan, Parkland County is committed to maintaining a balance among residents, industry, agriculture, and the environment in Parkland County. To achieve this balance, Council has identified six priority goal areas, all of equal importance, upon which it will focus its attention, decision-making, and actions. These priority goals are: Economic Development, Quality of Life, Environment, Agriculture, Infrastructure, and Governance. Administration has developed this budget by allocating resources to these priority areas while keeping in mind the balance Council wants to maintain. Each department has critically evaluated their budgets, found savings and requested increases only if absolutely necessary to maintain existing programs and services and/or meet Council's strategic initiatives. There has also been a great deal of analysis completed by Financial Services and Senior Management. As a result, Management is very proud of the budget that is being put forward for Council's review because it meets Council's direction, allows departments the resources required to meet Council's strategic initiatives, and maintains existing programs and services.

## **Budget Parameters and Guidelines:**

- The County's Strategic Plan is the driving force for all budgets. From the Strategic Plan the departments create their business plan.
- The budget provides the financial plan to support the County's Strategic Plan and the Departmental Business Plans.
- Increases to property taxation will be the "last resort" relative to balancing expenses with revenues.
- All new tax revenue obtained from new growth in assessment shall be used to maintain current levels of service in all areas of the budget.
- The tax rate will continue to be adjusted to provide a reasonable split of taxation between residential and non-residential taxation.
- All requisition costs will be recovered directly from applicable tax revenues. The County's operating budget will not be used to subsidize or cushion other requisition increases. Requisition increases will stand alone on their own merits.
- Department Managers, as part of the presentation to Council, will need to advise on the significant variances for 2014 as compared to the approved 2013 budget. With the exception of salaries and benefits, variances with a change of more than 10%, that are greater than \$10,000 will be reviewed and identified in their Business Plans under Section 2: Major Challenges and Budget Highlights.
- All user fees are to be reviewed and adjusted as needed as part of the budget process.
- The budget should reflect estimates for both revenue and expenditures through an objective, analytical process utilizing trends, best judgments and statistical analysis where appropriate. Estimates are to be conservative particularly on the revenue side.
- Budgets are to be prepared on the basis of maintaining existing service levels. Levels of service are to be reviewed in all areas and the budgets set are to be based on outputs/results produced for the dollars provided.
- Capital budgets are to be prepared using a priority setting process to determine what projects are of a High, Medium, or Low priority.
- All capital items must conform to the County's Capitalization Policy.
- Continue to develop funding for the County's future capital needs through appropriate restricted surplus transfers.
- Parkland County will maintain appropriate restricted surplus balances as determined by Council through its restricted surplus policy and appropriate planning.

- The budget will allocate an appropriate level of funds to restricted surplus in order to maintain services throughout economic cycles.
- The rate of inflation to be applied to general expenditures is to be based on the individual product price indexes or municipal price indexes that are available for applicable products and services.
- Bring forward a budget that does not require more than a 2% tax increase.

## Introduction

A critical component of our budget process is looking at economic indicators and assessing how they will impact Parkland County. We complete this process by reviewing reports developed by external parties, such as the Bank of Canada, and through discussion with our internal experts at Parkland County. As a result of this work, a brief overview of the economy, assessment predictions, and other factors is provided below.

## Growth and the Economy

For Parkland County, the current and future economic environment and the resulting growth potential look positive. The Royal Bank's Provincial Outlook for October indicated that "Were it not for the mid-year disruptions, Alberta's economy would continue to demonstrate very healthy signs at this stage. Notwithstanding some month to month volatility, crude oil production was still on a record pace as of this spring. Merchandise exports rose comfortably by 4.8% in the first seven months compared to a year ago. Employment was up by a solid 3.6% year over year in August. Population growth was the strongest (3.2%) since 1982 in the second quarter. Retail sales rose by an impressive 6.5% in the first half of this year. Housing starts were tracking more than 9% higher cumulatively by July compared to the same period a year ago. In short, most economic indicators point to substantial momentum being sustained in the province. In addition to the boost from post-flood spending, Alberta's economy next year will further benefit from an anticipated ramp-up in capital investment in the oil sands now that earlier 'bitumen bubble' concerns largely have receded."<sup>1</sup>

The all-residential average price in the Edmonton is up 2.5% from last year for October.<sup>2</sup> "Total annual sales are the highest they have been for five years" as indicated by President Darrell Cook for the Edmonton Real Estate Board.<sup>3</sup>

It is important to note that although a strong economy and continued growth leads to more assessment it also places a strain on the municipality's infrastructure and services. As you can see in the graphs on page 7 development in Parkland County continues to grow as industrial and commercial building permits have increased over 2012. Residential permits issued are a bit slower than 2012.

### Alberta forecast at a glance

% change unless otherwise indicated

	2011	2012	2013F	2014F
Real GDP	5.1	3.8	3.2	4.1
Employment	3.8	2.6	2.6	2.4
Unemployment rate (%)	5.5	4.6	4.7	4.3
Retail sales	6.8	6.9	6.6	5.4
Housing starts (units)	25,704	33,396	35,500	32,000
Consumer price index	2.4	1.1	1.7	1.8

RBC Provincial Outlook September 2013  
<http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/alta.pdf>

<sup>1</sup> <http://www.rbc.com/economics/market/pdf/fcst.pdf>

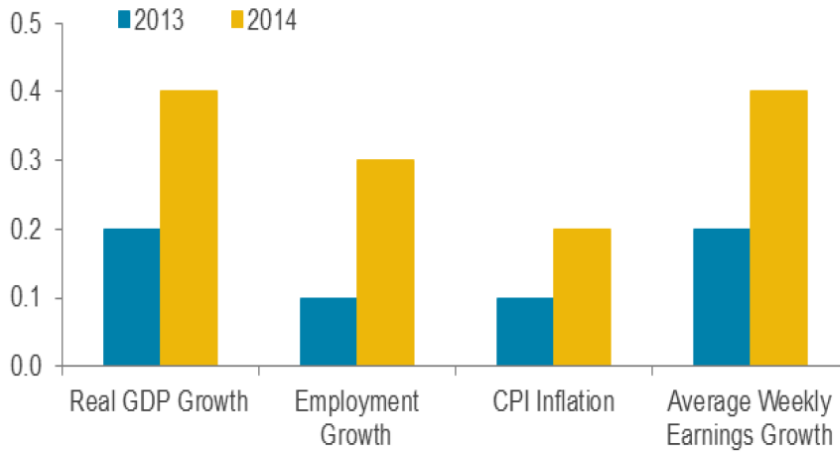
<sup>2</sup> <http://www.ereb.com/News&Events/LatestMarketStatistics.html>

<sup>3</sup> <http://www.ereb.com/News&Events/LatestMarketStatistics.html>



## Impact of the floods on Alberta economic activity

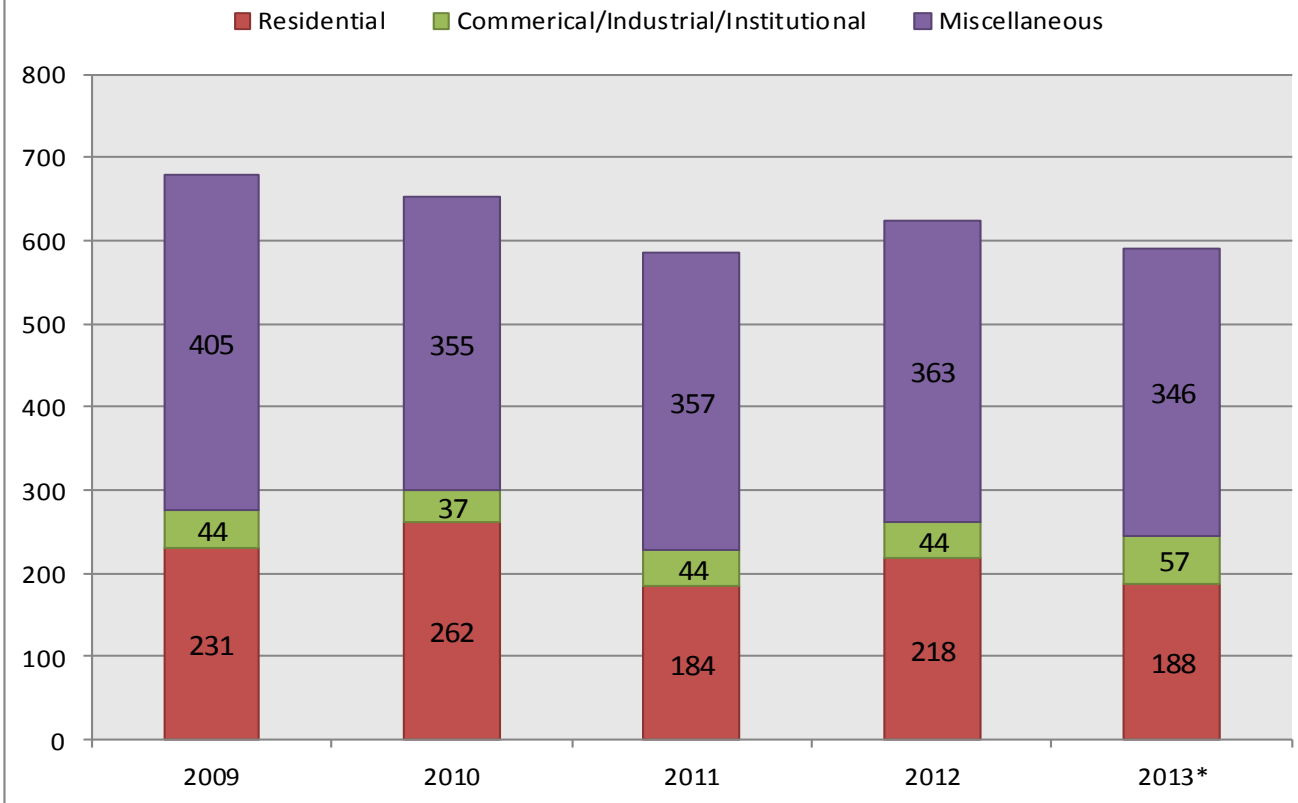
**Estimated change in economic indicators as a result of floods**  
(percentage points)



Source: Alberta Treasury Board and Finance

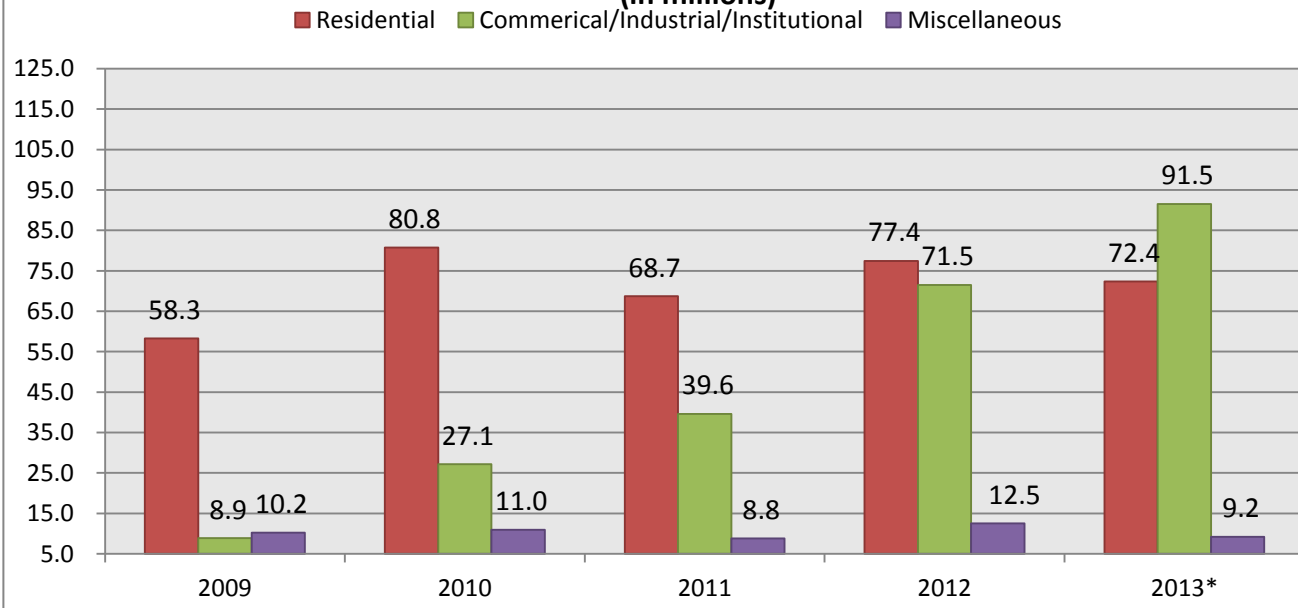
<http://www.finance.alberta.ca/publications/budget/quarterly/2013/2013-14-1st-Quarter-Economic-Outlook-EFP-Presentation.pdf>

## Number of Building Permits Issued



## Construction Value of Building Permits

(in millions)



**\*2013 information is up to October 31, 2013**

## **TransAlta Update**

On May 23, 2013 TransAlta Corporation announced the extension of the forced outage at its Keephills 1 power plant in order to complete a full rewind of the generator. Keephills 1 had shut down on March 5, 2013. After extensive testing involving the original equipment manufacturer, the cause of the fault was determined to be a winding failure within the generator. As a result, the power plant is anticipated to return-to-service by mid-November, 2013. What this means to Parkland County for 2014 taxation year, is a loss of \$46M in assessment. These numbers are estimated by Municipal Affairs.

TransAlta reported an earlier return-to service date of July 31, 2013 for Sundance 1. Sundance 2 came on line at the beginning of October. This is positive news for Parkland County as Municipal Affairs has estimated an increase for the 2014 taxation year of \$89M in assessment.

Overall, Parkland County should see an increase in co-generation assessment of approximately \$43M in 2014.



## Municipal Budget Summary

The following chart illustrates the revenues and expenditures by division as well as the required municipal tax levy:

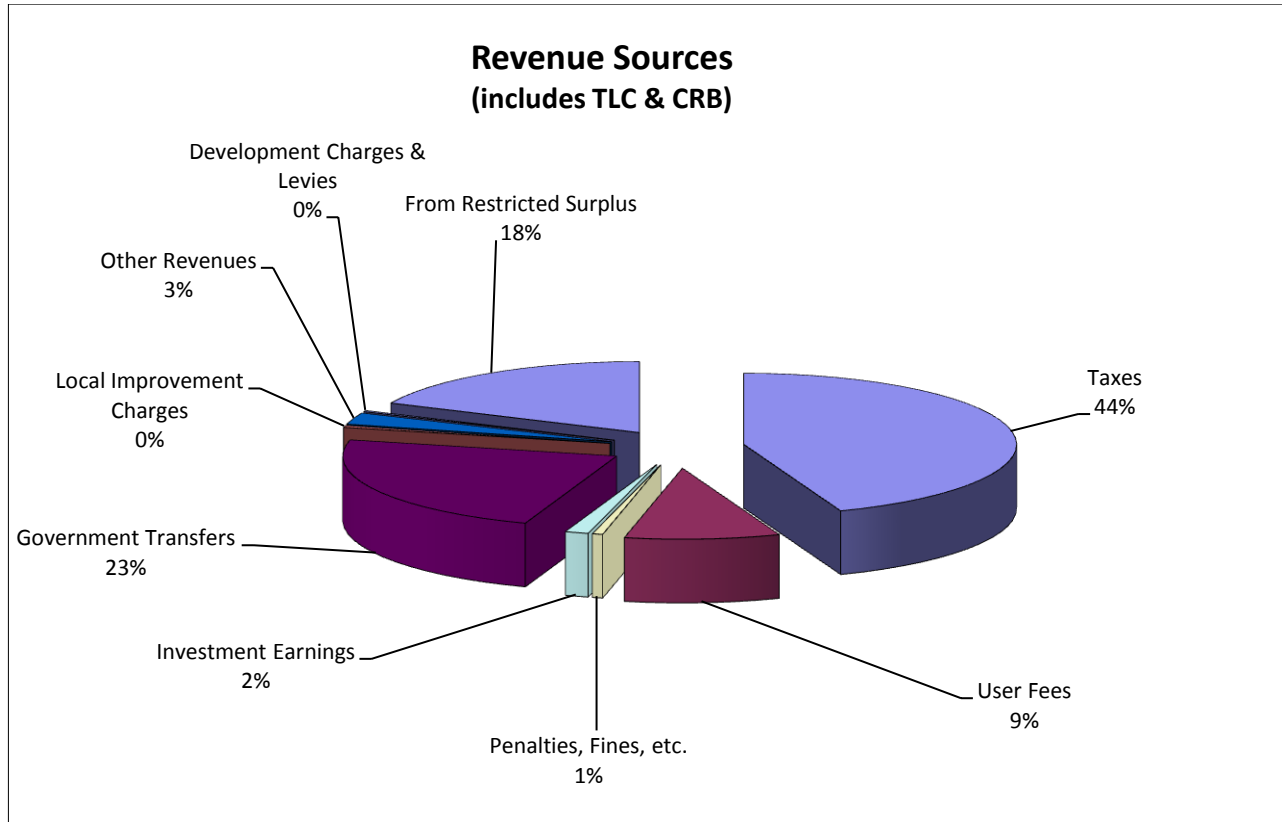
<b>PARKLAND COUNTY</b>				
<b>2014 - 2017 MUNICIPAL BUDGET</b>				
<b>DIVISION</b>	<b>2013 BUDGET</b>	<b>2014 BUDGET</b>	<b>\$ CHANGE</b>	<b>% CHANGE</b>
<b>REVENUES</b>				
<b>LEGISLATIVE</b>	125,100	0	(125,100)	-100.00%
<b>GENERAL SERVICES</b>	150,000	0	(150,000)	-100.00%
<b>CORPORATE SERVICES</b>	1,074,100	2,211,800	1,137,700	105.92%
<b>DEVELOPMENT SERVICES</b>	3,732,800	4,766,300	1,033,500	27.69%
<b>COMMUNITY SERVICES</b>	5,378,500	6,180,300	801,800	14.91%
<b>INFRASTRUCTURE SERVICES</b>	27,344,500	29,347,300	2,002,800	7.32%
<b>OTHER</b>	4,194,400	11,000,200	6,805,800	162.26%
<b>TOTAL REVENUE</b>	<b>41,999,400</b>	<b>53,505,900</b>	<b>11,506,500</b>	<b>27.40%</b>
<b>EXPENDITURES</b>				
<b>LEGISLATIVE</b>	1,063,200	1,007,500	(55,700)	-5.24%
<b>GENERAL SERVICES</b>	1,447,100	1,381,900	(65,200)	-4.51%
<b>CORPORATE SERVICES</b>	8,231,700	10,119,800	1,888,100	22.94%
<b>DEVELOPMENT SERVICES</b>	5,587,900	6,938,200	1,350,300	24.16%
<b>COMMUNITY SERVICES</b>	16,188,000	18,272,800	2,084,800	12.88%
<b>INFRASTRUCTURE SERVICES</b>	57,188,100	59,580,100	2,392,000	4.18%
<b>OTHER</b>	4,832,900	11,426,900	6,594,000	136.44%
<b>TOTAL EXPENDITURES</b>	<b>94,538,900</b>	<b>108,727,200</b>	<b>14,188,300</b>	<b>15.01%</b>
<b>SUBTRACT AMORTIZATION &amp; OTHER LEVIES</b>	<b>(14,144,300)</b>	<b>(14,014,900)</b>	<b>129,400</b>	<b>-0.91%</b>
<b>MUNICIPAL TAX LEVY</b>	<b>38,395,200</b>	<b>41,206,400</b>	<b>2,811,200</b>	<b>7.32%</b>
Less Minimum Tax	40,000	40,000	0	0.00%
<b>NET MUNICIPAL TAX LEVY</b>	<b>38,355,200</b>	<b>41,166,400</b>	<b>2,811,200</b>	<b>7.33%</b>

Total revenues for 2014 are \$53.5M which is an increase of \$11.5M from 2013. This does not include taxation.

Expenditures (operating and capital) are up \$14.1M to \$108.7M. The \$108.7M includes amortization of \$12.5M that is not a funded expense, the TransAlta Tri Leisure Centre levy of \$1M and the Capital Region Board levy of \$200,000.

The budget contains a municipal tax requirement of \$41.2M which is \$2.8M more than the municipal tax levy required in 2013.

**Where the Money Comes From:**



Total revenue including taxation is \$96M.

Taxes collected from residential and non-residential properties makes up 44% of the total revenue. Each property owner pays a share of the total tax required based on the assessed value of their property.

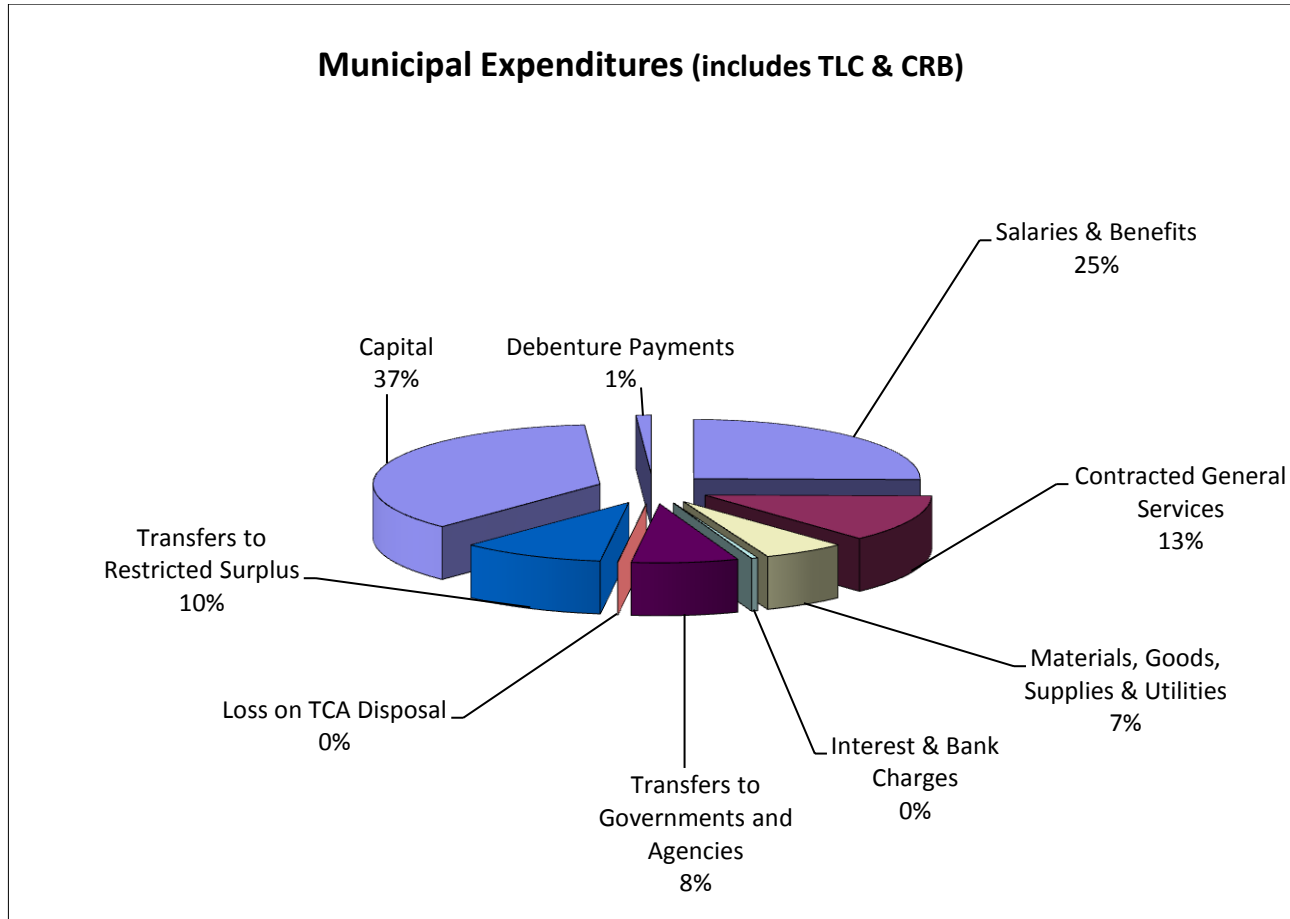
User fees of 9% help pay for some services. Water and waste water systems are funded through utility fees on a cost recovery basis.

Parkland County does not have a business tax.

Of the \$22M in government transfer revenue \$20M is used for capital items. This budget estimates that Parkland County will receive \$318,900 of MSI Operating and \$6.9M of MSI Capital which is the same amount of transfers received in 2013.

\$17M from restricted surplus is being used to fund this budget of which \$11M is for capital items.

## How the Money is Spent



Salaries and benefits include a cost of living adjustment of 3% for both union and non-union positions. The contracts for the Community Peace Officers and The International Local Union of Operating Engineers Local Union No. 955 settled last year at 3% for 2014. Salaries and benefits will be discussed in further detail on page 12.

Contracted and General Services is up slightly from the prior year largely due to Environmental Services which has \$125,000 budgeted for Contaminated Sites, Fire Services which has a \$324,000 increase in rental equipment charges, Road Maintenance which has increased \$280,000 largely due to an increase in costs associated with rental equipment, line painting, plow/sand trucks, and road gravelling. Lastly, there is a \$363,000 increase in the Planning and Development Services budget due to the costs associated with the number of plans the County will be working on in 2014.

Materials, Goods, Supplies & Utilities are down \$482,000 largely due to non-capital equipment budgeted in 2013 for the Acheson Firehall and non-capital park improvements for Rge Rd 23 Park Development.

Transfers to Restricted Surplus are up \$1.1M but still includes a transfer of \$1.7M to the Long Term Sustainability Restricted Surplus.

Further expenditure details will be provided in the department budget presentations.

**Salaries & Benefits**

The 2014 budget includes a 1.68 change to Full Time Equivalent (FTE) Positions. Full time equivalent means that positions are prorated according to the number of hours that a full time equivalent person would work. For example, a part time position working 17.5 hours per week equates to a .5 FTE based on a 35 hour work week.

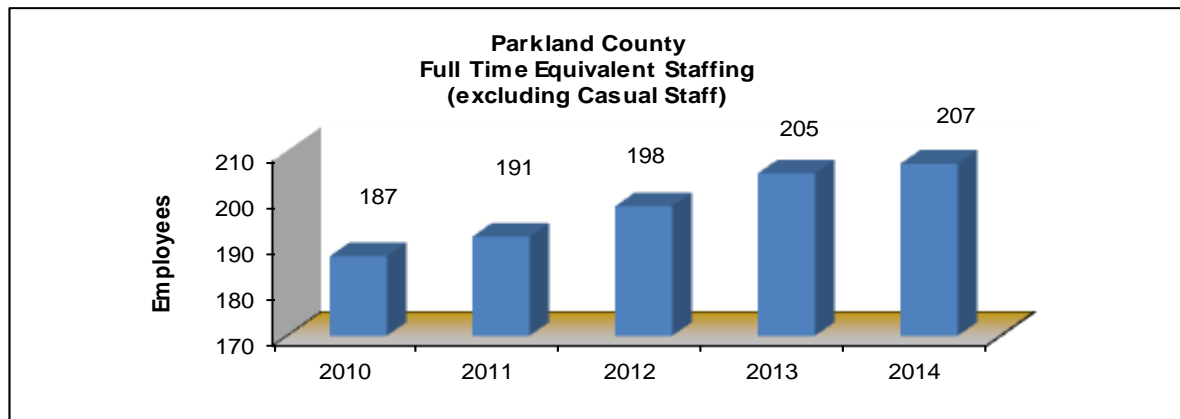
FTE's BY DIVISION	2013	Deletions	Additions	Net Change	2014
LEGISLATIVE	1.00			-	1.00
GENERAL SERVICES	7.00			-	7.00
CORPORATE SERVICES	44.00			-	44.00
DEVELOPMENT SERVICES	23.60			-	23.60
COMMUNITY SERVICES	43.71			-	43.71
INFRASTRUCTURE SERVICES	85.85		1.68	1.68	87.53
<b>TOTAL FULL TIME EQUIVALENT</b>	<b>205.15</b>	<b>-</b>	<b>1.68</b>	<b>1.68</b>	<b>206.83</b>

The following shows the breakdown by department and position:

New FTE	Engineering			
1.00	Development Engineering Officer			
	<b>Road Maintenance</b>			
0.08	Spray Patch Equip Operator II (move to 8 months)			
	<b>Solid Waste</b>			
0.20	Kapasiwn Landfill Transfer Station Attendant			
0.20	Seba Landfill Transfer Station Attendant			
0.20	Seba Landfill Transfer Station Attendant			
<b>1.68</b>				

The justification of the FTE increases will be discussed at the applicable department budget presentation.

The following graph provides a five year comparison of FTE staffing:



The 2014 budget also includes the addition of two new temporary contract positions:

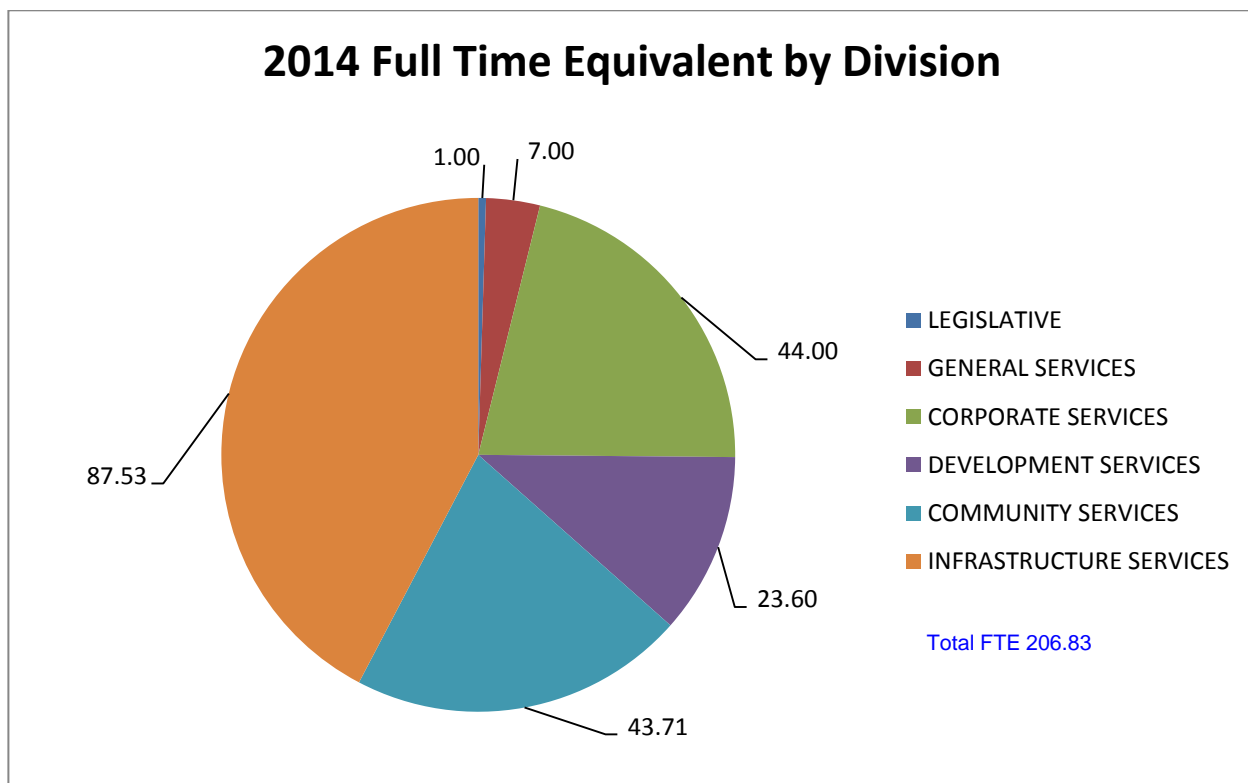
Environmental Services: Environmental Services Assistant

Information Technology Services: Database Administrator

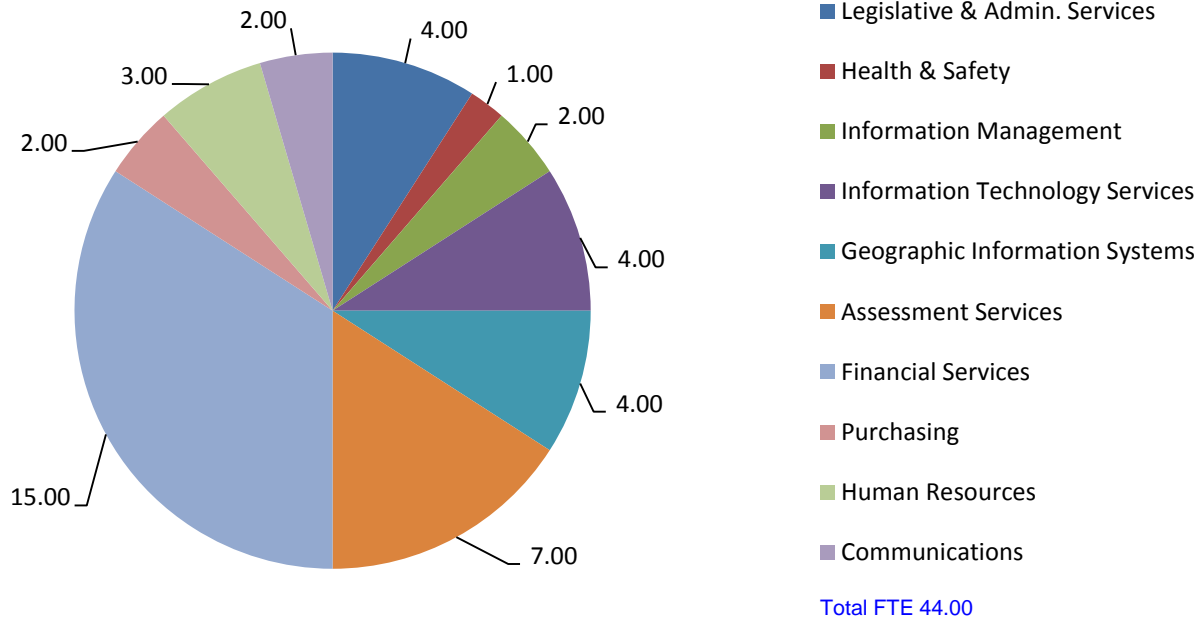
The justification for these positions will be discussed at the applicable department budget presentation.

The net change to Casual hours has increased by 1.21 FTE's.

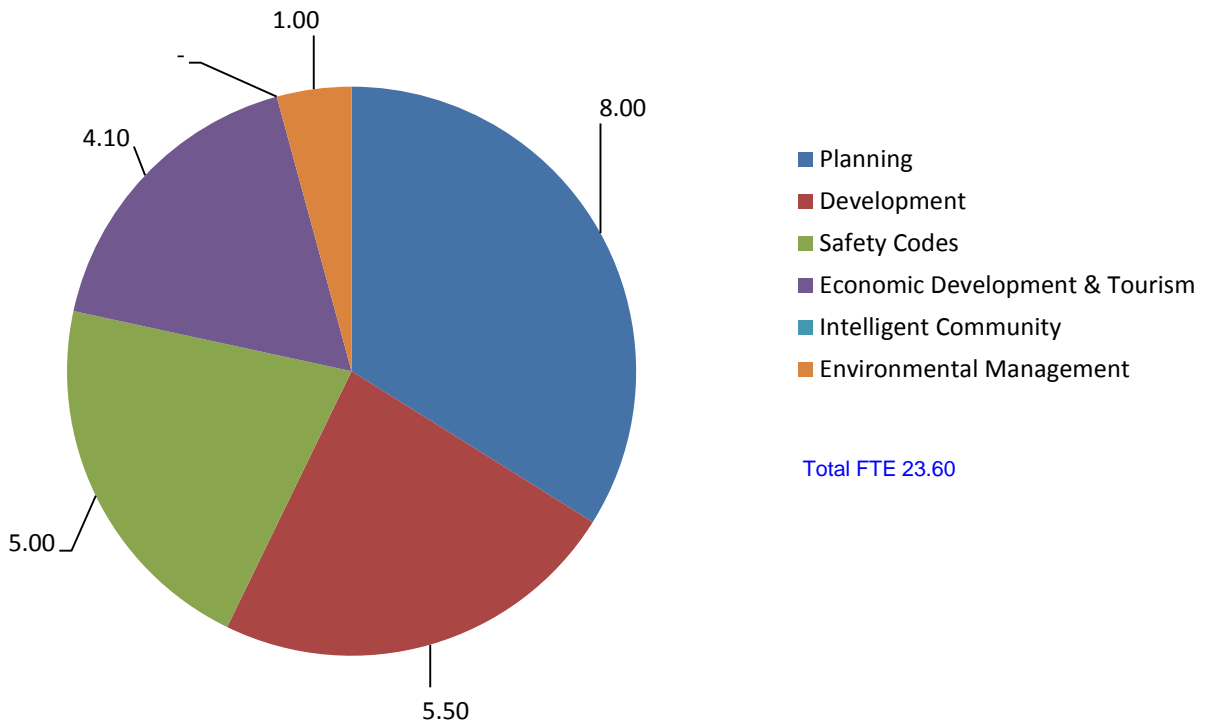
The following graphs show the breakdown of FTE's by division:



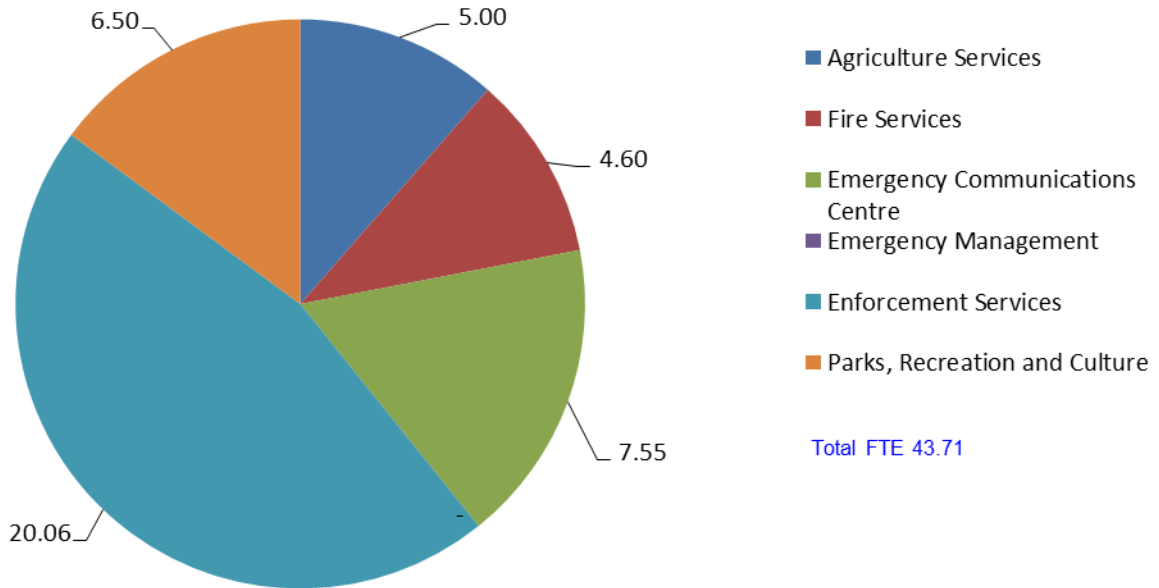
## 2014 Full Time Equivalents - Corporate Services



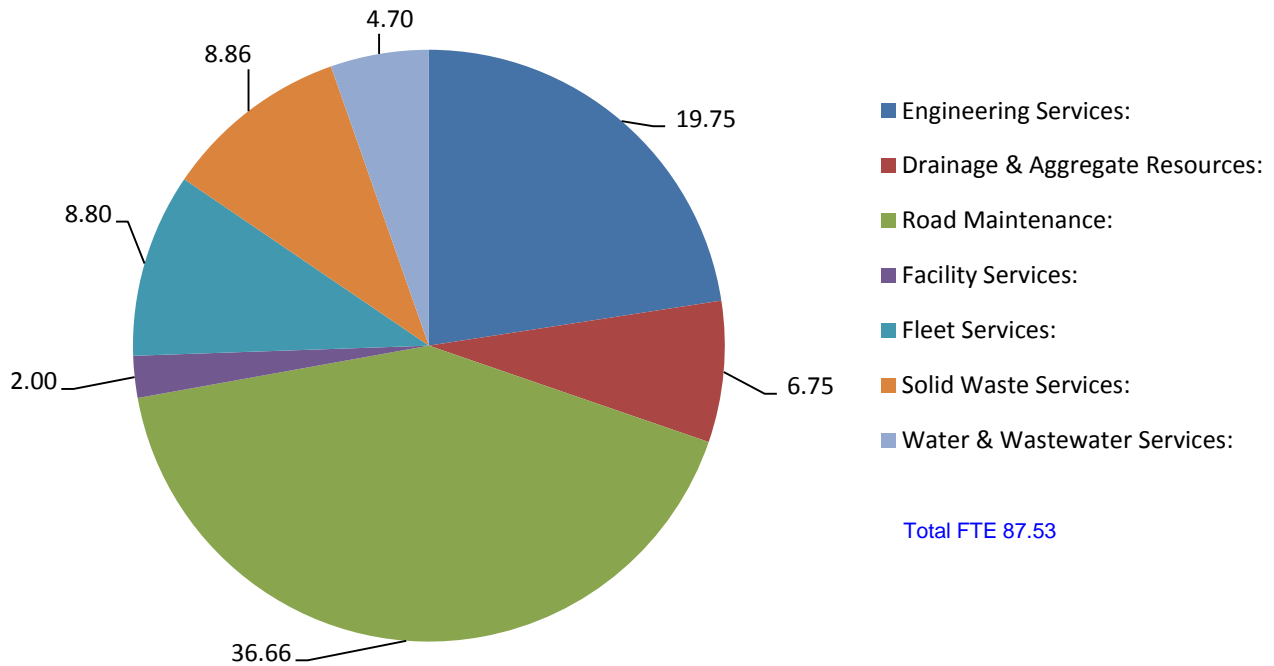
## 2014 Full Time Equivalents - Development Services



## 2014 Full Time Equivalents - Community Services



## 2014 Full Time Equivalents - Infrastructure Services

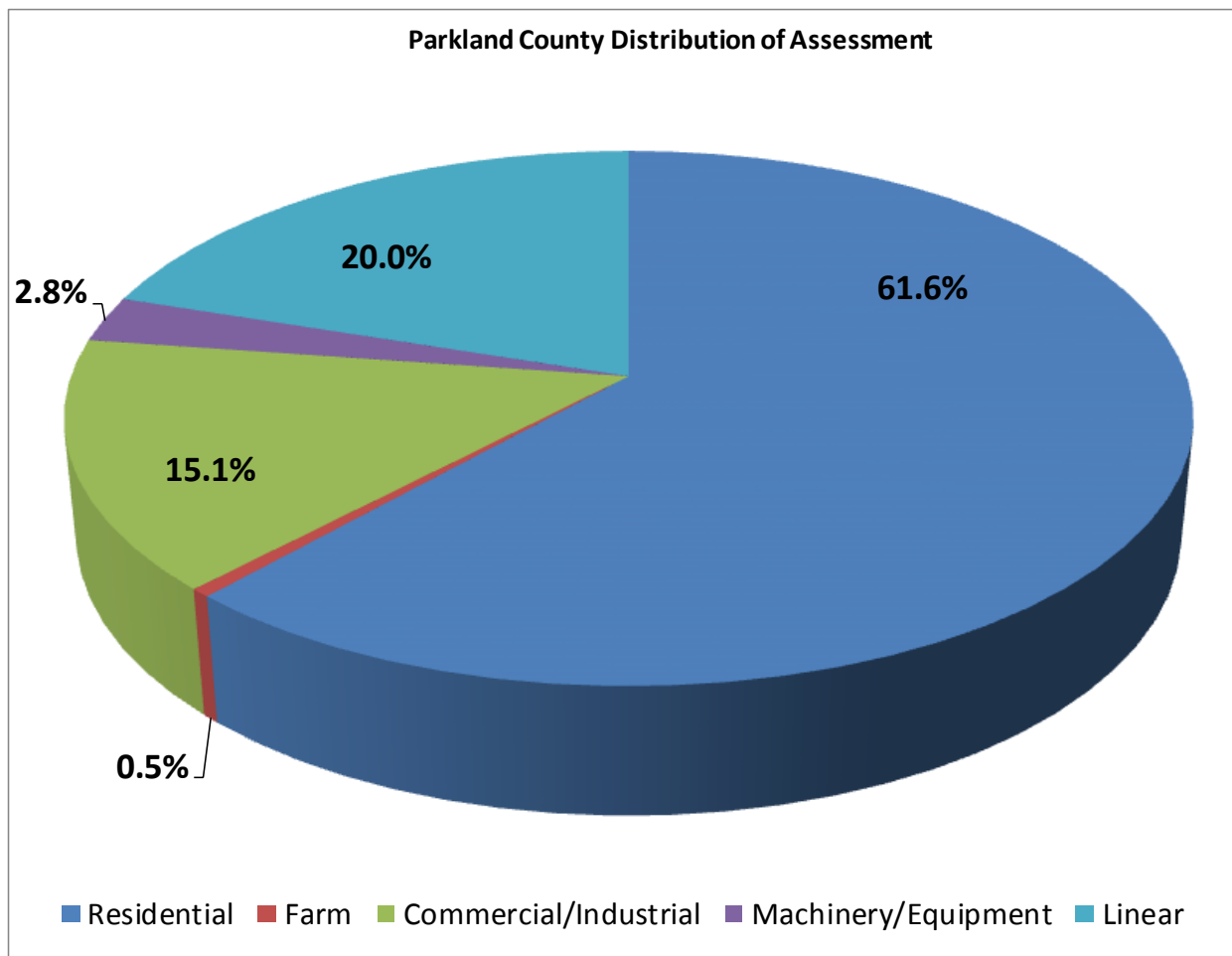


**Assessment:**

The following chart illustrates the changes in assessment projected by Assessment Services for the 2014 tax year:

	<u>2013</u>	<u>2014</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Assessment Category:</b>				
Residential	5,211,836,910	5,283,049,780	71,212,870	1.37%
Farm	43,765,520	43,714,940	-50,580	-0.12%
Commercial/Industrial	1,217,712,500	1,297,019,520	79,307,020	6.51%
Machinery/Equipment	236,687,690	237,021,450	333,760	0.14%
Linear	1,682,266,060	1,712,170,985	29,904,925	1.78%
	<b>8,392,268,680</b>	<b>8,572,976,675</b>	<b>180,707,995</b>	<b>2.15%</b>

Projected growth in assessment is \$180.7M; an increase of 2.15%





**Impact to the taxpayer (Split Tax Rate reduced from 53% to 52%):**

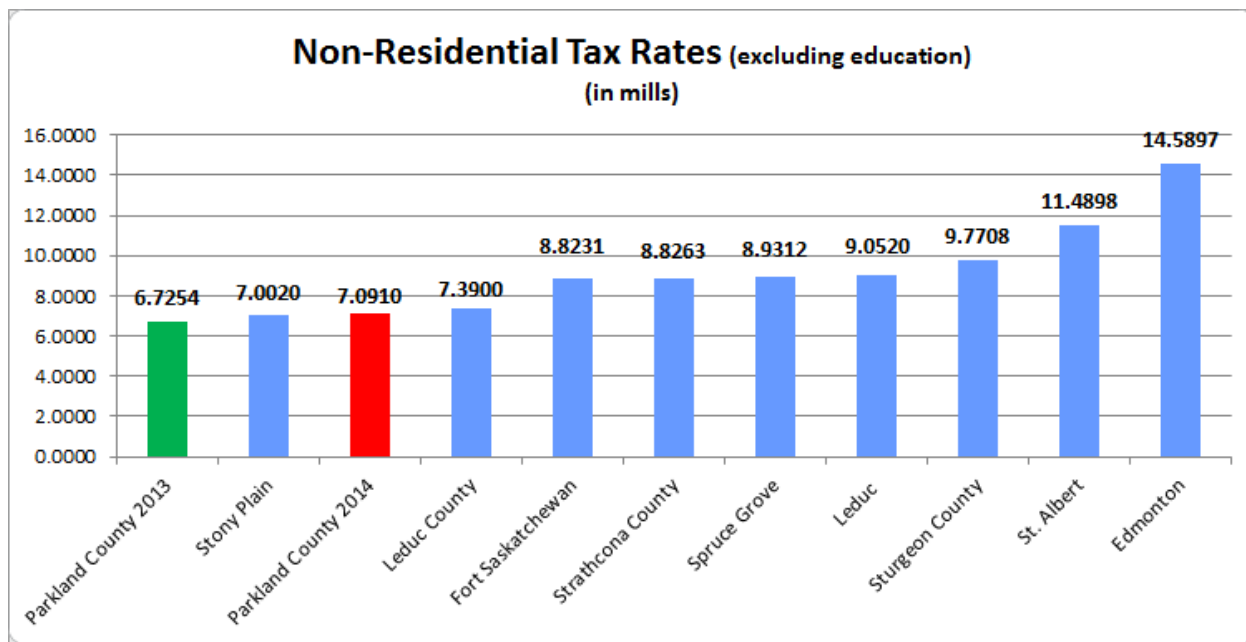
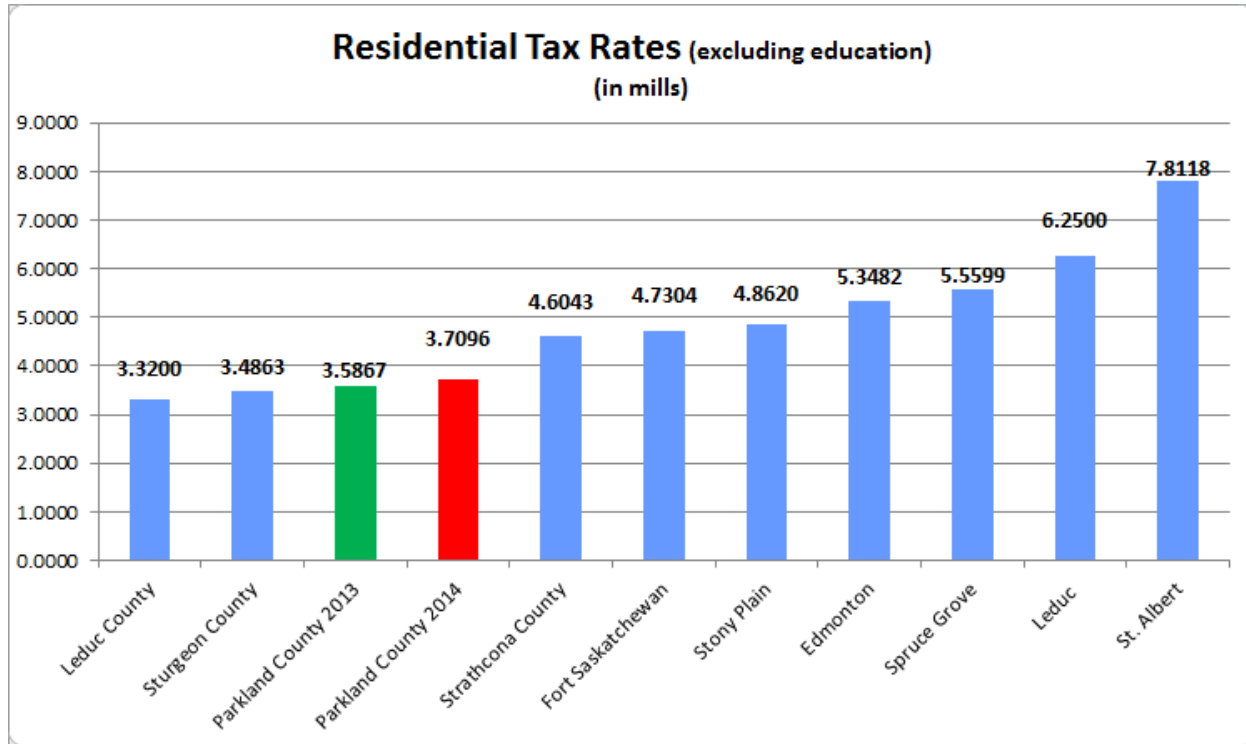
The proposed budget results in the **typical residential** property paying \$56.42 in additional taxes per year or \$4.70/month for those on the monthly payment plan.

The proposed budget results in the **typical non-residential** property paying \$1,436.97 in additional taxes per year or \$119.75/month for those on the monthly payment plan.

<b>Residential:</b>				
<b>Median Assessment Value</b>	<b>\$ 459,180</b>	<b>\$ 459,180</b>		
<b>PROPERTY TAX - Estimate</b>	<b>2013</b>	<b>2014</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Municipal</b>	\$ 1,576.18	\$ 1,633.85	\$ 57.67	3.66%
<b>Tri Leisure</b>	\$ 40.78	\$ 40.27	\$ (0.51)	-1.24%
<b>Capital Region Board</b>	\$ 8.22	\$ 7.94	\$ (0.28)	-3.35%
<b>Senior's Foundation</b>	\$ 21.77	\$ 21.29	\$ (0.47)	-2.16%
<b>Subtotal</b>	\$ 1,646.94	\$ 1,703.36	\$ 56.42	3.43%
<b>School</b>	\$ 1,215.86	\$ 1,215.86	\$ -	0.00%
<b>Total</b>	<b>\$ 2,862.80</b>	<b>\$ 2,919.23</b>	<b>\$ 56.42</b>	<b>1.97%</b>
<b>Non-Residential:</b>				
<b>Median Assessment Value</b>	<b>\$ 3,930,720</b>	<b>\$ 3,930,720</b>		
<b>PROPERTY TAX - Estimate</b>	<b>2013</b>	<b>2014</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Municipal</b>	\$ 25,457.70	\$ 26,896.74	\$ 1,439.04	5.65%
<b>Tri Leisure</b>	\$ 658.79	\$ 663.11	\$ 4.32	0.66%
<b>Capital Region Board</b>	\$ 132.86	\$ 130.50	\$ (2.36)	-1.78%
<b>Senior's Foundation</b>	\$ 186.32	\$ 182.28	\$ (4.03)	-2.16%
<b>Subtotal</b>	\$ 26,435.66	\$ 27,872.63	\$ 1,436.97	5.44%
<b>School</b>	\$ 14,316.86	\$ 14,316.86	\$ -	0.00%
<b>Total</b>	<b>\$ 40,752.53</b>	<b>\$ 42,189.50</b>	<b>\$ 1,436.97</b>	<b>3.53%</b>

As Parkland County did not have the provincial school requisition or the Senior's Foundation requisitions when the budget was finalized, the assumption was made that the requisitions will remain unchanged from the prior year. These requisitions will be adjusted at Spring Budget to actual.

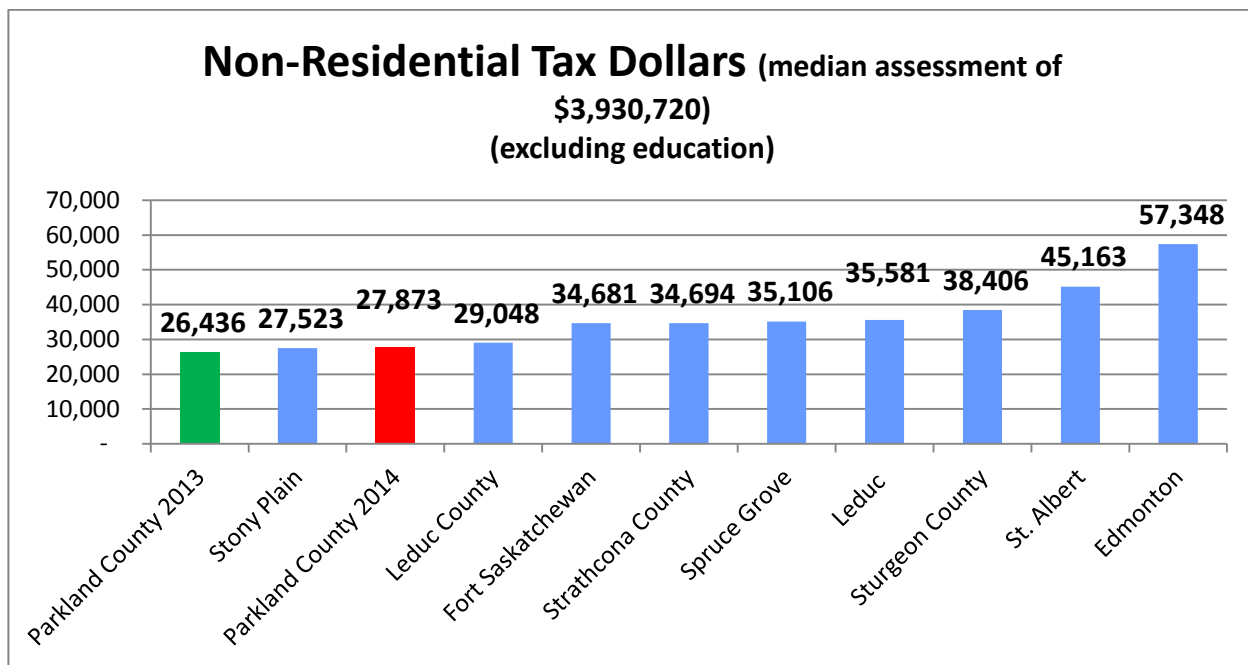
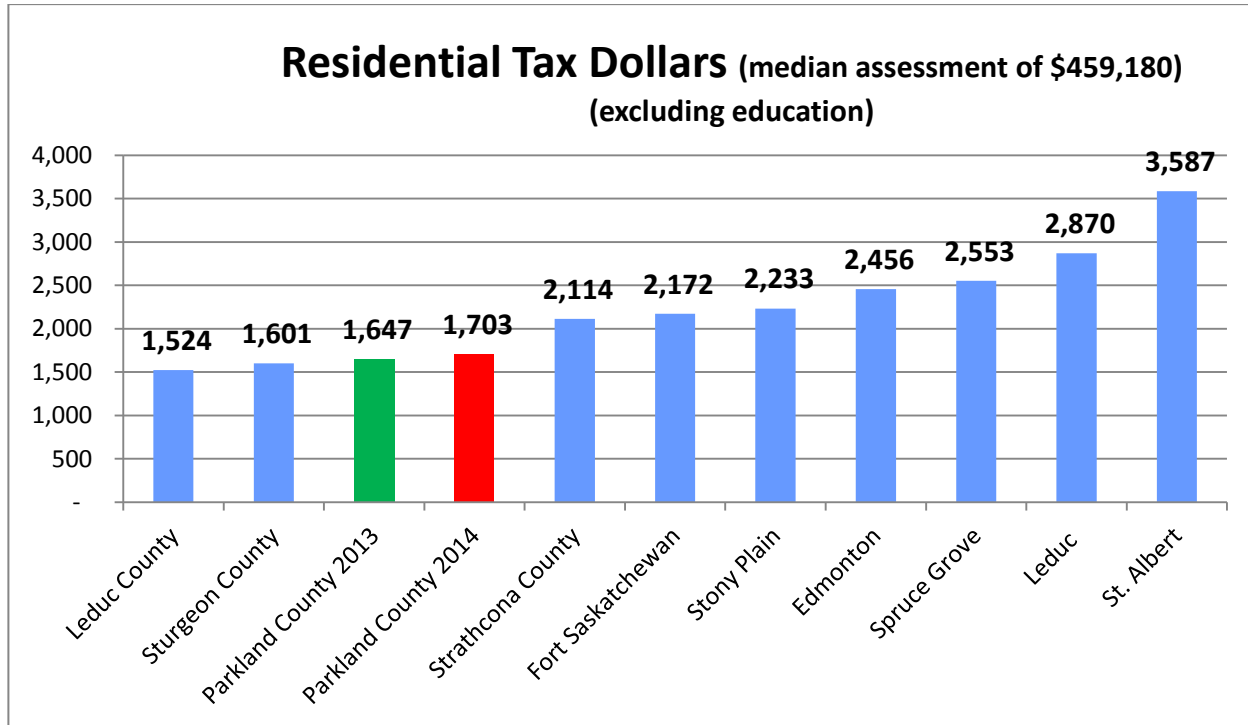
**Municipal Tax Rates of Our Comparators (2013 Tax Rates)**



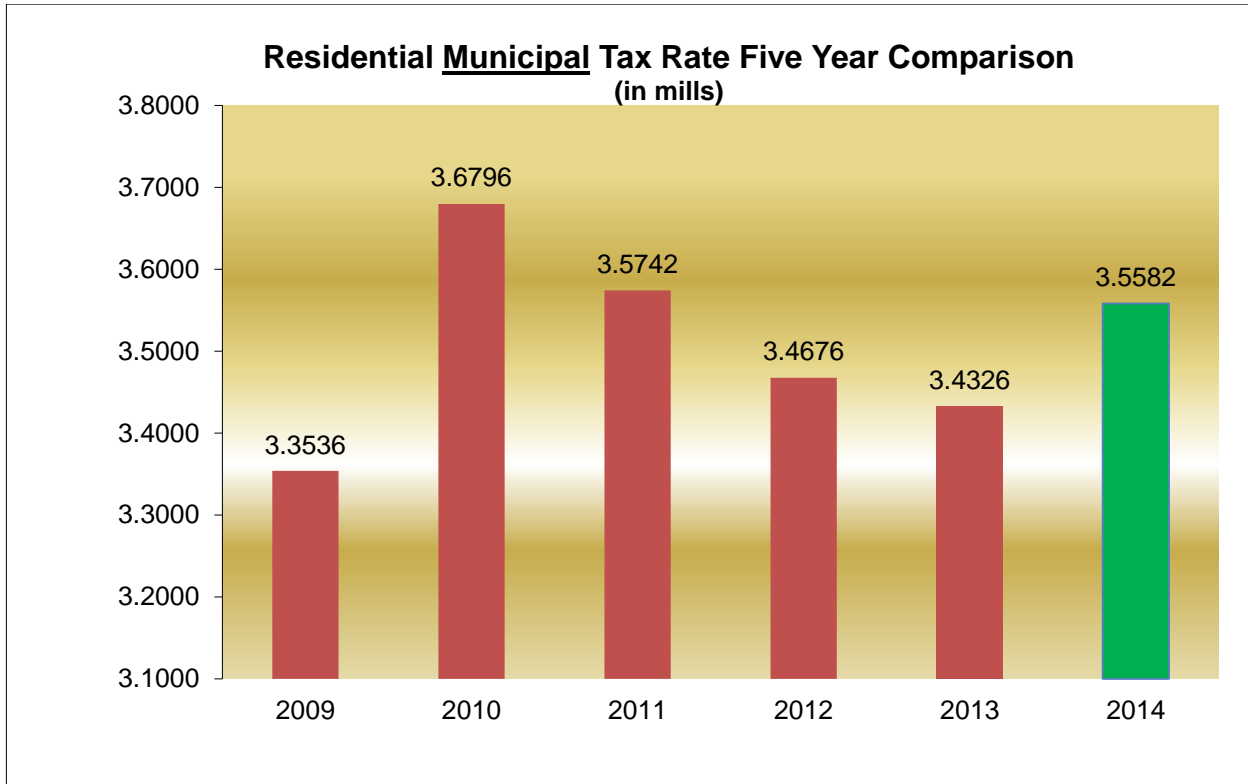
If one compares Parkland County’s proposed 2014 residential rate to its comparator’s 2013 tax rates, it is the third lowest.

If one compares Parkland County’s proposed 2014 non-residential rate to its comparator’s 2013 tax rates, it is the second lowest, which remains very attractive in the business environment.

**Municipal Tax \$ Comparison of Our Comparators (2013 Tax Rates)**



**Tax Rate Trend Analysis**



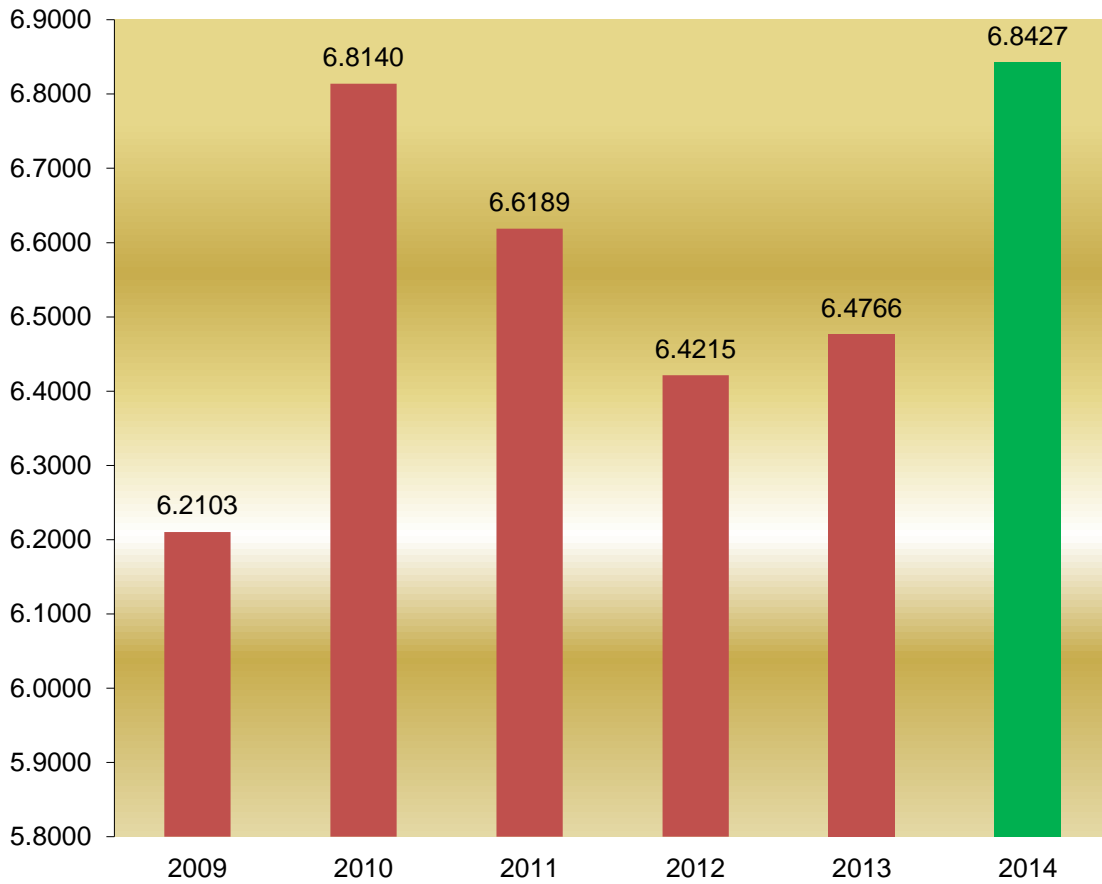
The five year average residential tax rate is 3.5015.

## Typical Residential Property Taxes (excluding education)



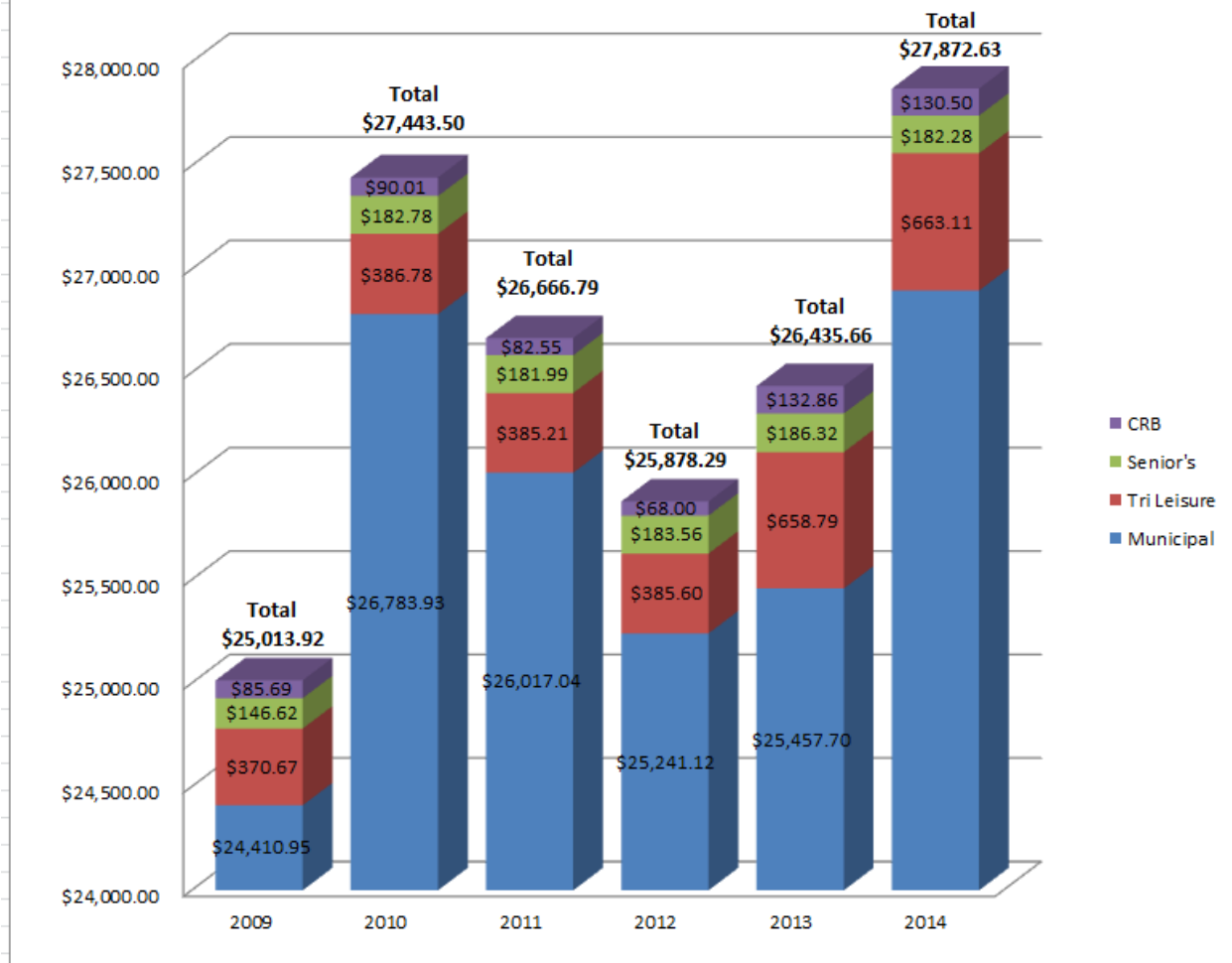
The five year average property taxes paid by the typical residential property are \$1,661.61. 2014 property taxes, for the typical residential property will be up by \$41.75 over the 5 year average.

**Non-Residential Municipal Tax Rate Five Year Comparison  
(in mills)**



The five year average non-residential tax rate is 6.5083.

### Typical Non-Residential Property Taxes (excluding education)



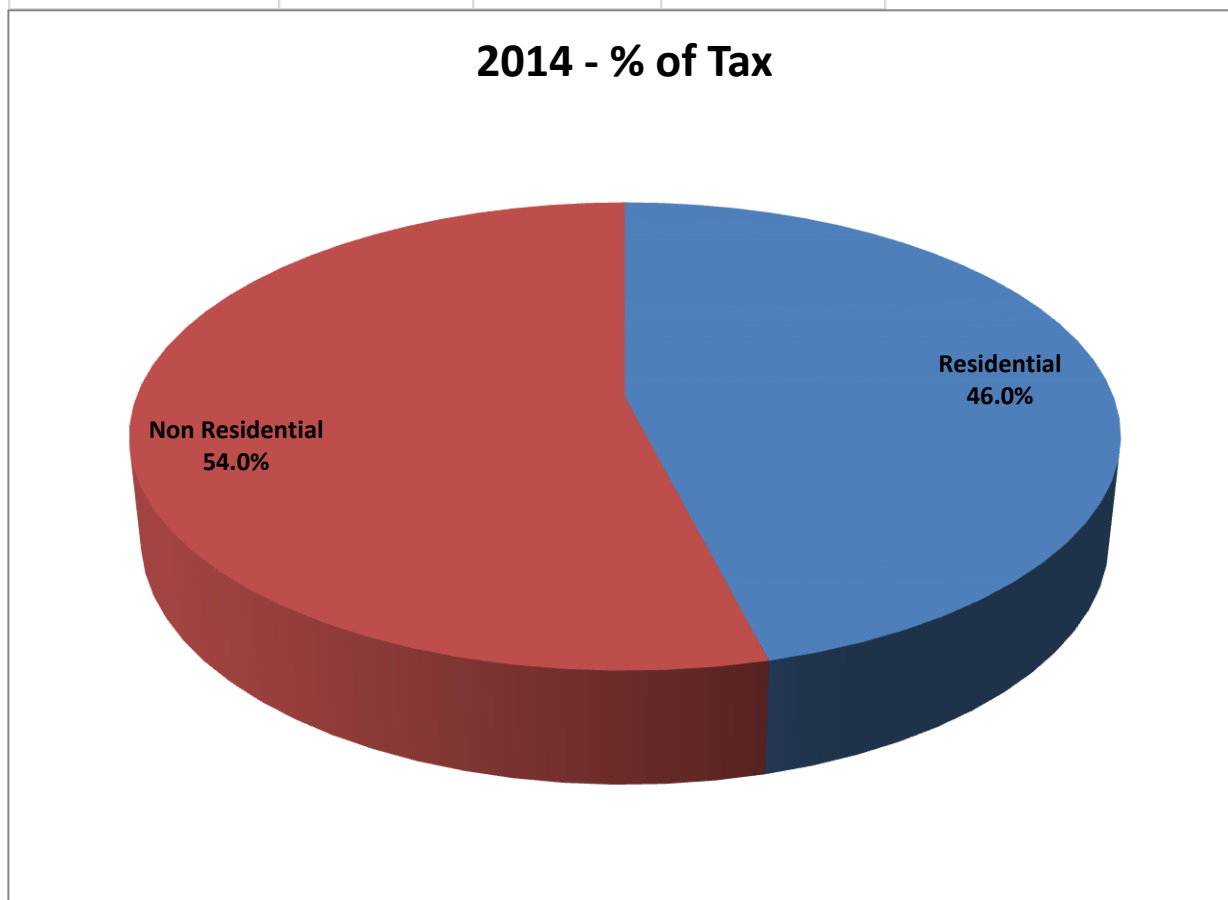
The five year average property taxes paid by the typical non-residential property are \$26,287.63. 2014 property taxes, for the typical non-residential property, have increased modestly in an amount of \$1,585.00 over the 5 year average.

### What Does the Split Tax Rate Mean?

As mentioned earlier, based on the budget policy direction provided by Council, the split tax rate was moved from 53% to 52%. A 52% split tax rate means the non-residential tax rate is multiplied by .52 to determine the non-residential tax rate. It is simply a way of distributing the taxes paid by residential versus non-residential.

With a 52% split tax rate residential is paying 46% and non-residential is paying 54% of the total municipal tax requirement as shown below in the graph.

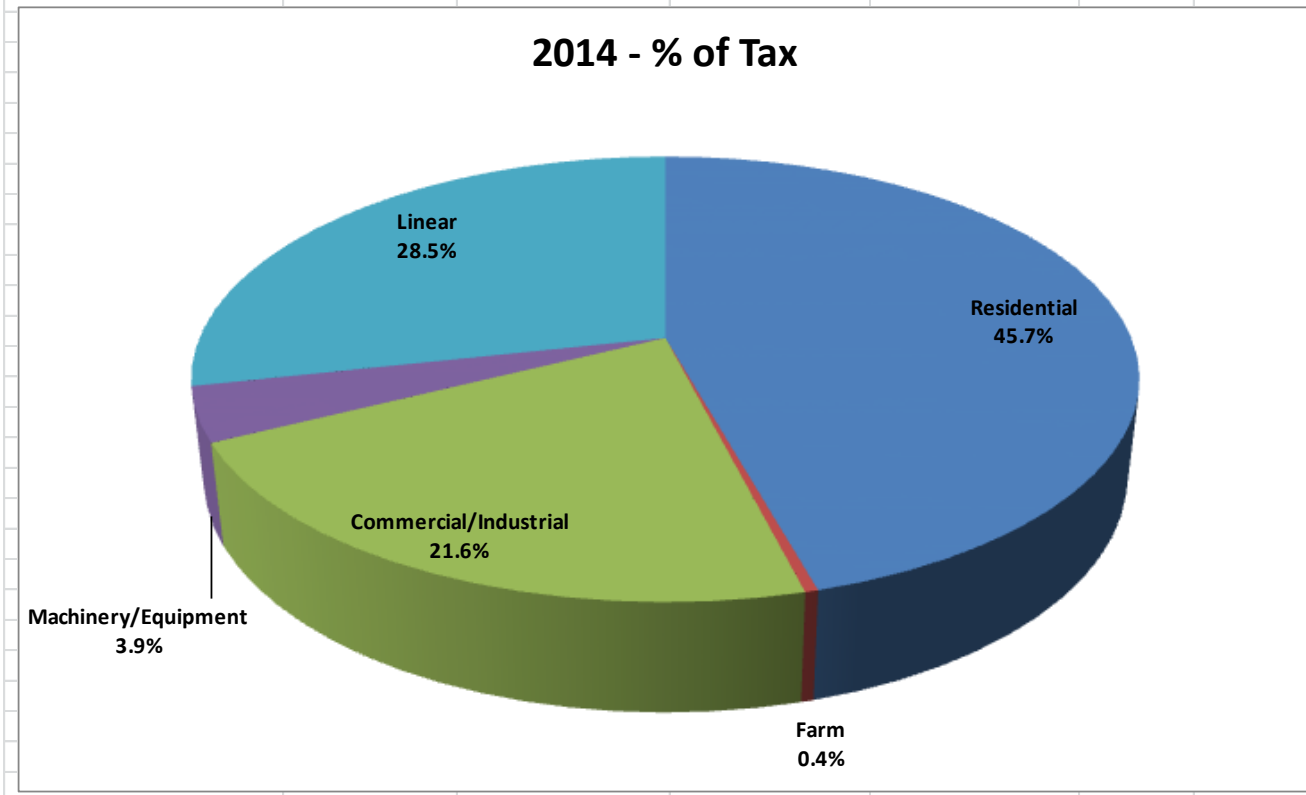
	Assessment	Taxes	2014 - % of Tax
Residential	5,326,764,720	18,953,694	46.0%
Non Residential	3,246,211,955	22,212,855	54.0%
	<b>8,572,976,675</b>	<b>41,166,549</b>	<b>100.0%</b>





**Where Does the Tax Come From?**

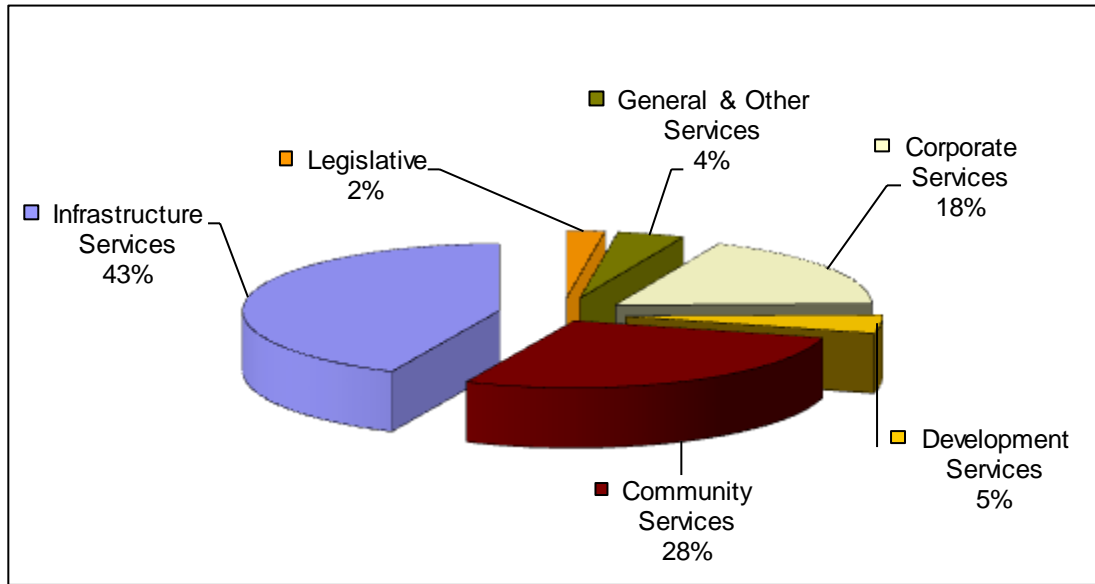
	2014			
	Assessment	Municipal Tax Rate	Taxes	2014 - % of Tax
Residential	5,283,049,780	0.0035582	18,798,148	45.7%
Farm	43,714,940	0.0035582	155,546	0.4%
Commercial/Industrial	1,297,019,520	0.0068427	8,875,115	21.6%
Machinery/Equipment	237,021,450	0.0068427	1,621,867	3.9%
Linear	1,712,170,985	0.0068427	11,715,872	28.5%
	<b>8,572,976,675</b>		<b>41,166,549</b>	<b>100.0%</b>



**Services Provided Through Taxation**

The following chart illustrates where municipal tax dollars are distributed and how much a typical residential and non-residential property pays for these services.

**Parkland County  
Services Provided Through Taxation**



Municipal Services	Taxes Levied	% Total	Residential Typical Total Taxes	Non Residential Typical Total Taxes
Legislative	1,007,500	2.37%	39.95	657.64
General & Other Services	1,795,800	4.23%	71.21	1,172.19
Corporate Services	7,675,000	18.09%	304.32	5,009.79
Development Services	1,862,600	4.39%	73.85	1,215.80
Community Services	11,778,000	27.76%	467.01	7,687.99
Infrastructure Services	18,302,700	43.14%	725.72	11,946.94
<b>Tax Levy (Municipal, TLC, CRB)</b>	<b>\$ 42,421,600</b>	<b>100.00%</b>	<b>\$ 1,682.07</b>	<b>\$ 27,690.35</b>

**Legislative:** Includes Council and Elections

**General & Other Services:** Includes Executive Administration, General Office, General Municipal and Ambulance

**Corporate Services:** Includes Finance, Legislative, Human Resources, Assessment, Information Technology Services, GIS, Information Management, Purchasing & Communications

**Development Services:** Includes Planning and Development, Economic Development and Tourism, Intelligent Community and Environmental Services

**Community Services:** Includes Emergency Management, Enhanced Policing, Agriculture, Fire, ECC, Enforcement, Parks, Recreation & Culture

**Infrastructure Services:** Includes Engineering, Drainage and Aggregate Resources, Road Maintenance, Facilities, Fleet, Solid Waste, Water & Wastewater Services

## Capital Budget

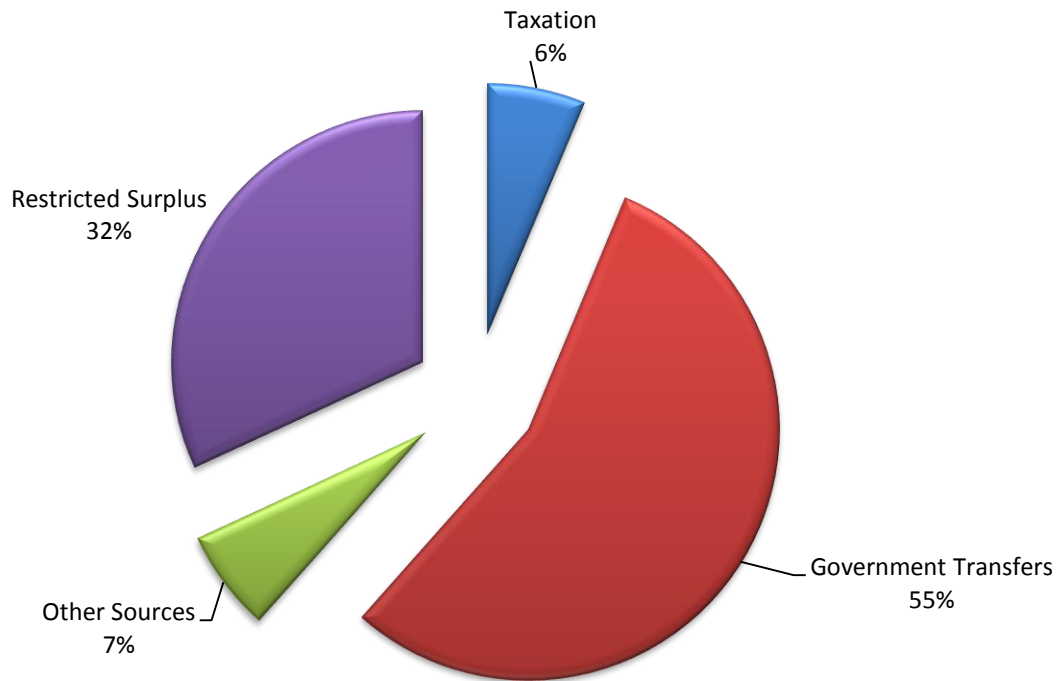
<b>Parkland County Capital Budget Summary</b>	
	<b>2014</b>
<b><u>Department/Function</u></b>	<b><u>Cost</u></b>
Information Technology Services	1,662,100
Geographic Information Systems (GIS)	11,500
Planning and Development Services	-
Intelligent Community	1,180,000
Fire Services	1,632,500
Enforcement Services	8,000
Parks, Recreation & Culture	65,000
Engineering Department	20,368,300
Road Maintenance	24,400
Facility Management	41,000
Fleet Management	3,302,800
Solid Waste	283,000
Water & Wastewater Services	-
Environment Services	-
Agricultural Services	10,000
General Office	-
Ambulance	6,700,000
<b>Total Cost of Projects</b>	<b>35,288,600</b>
<b><u>Capital Budget Sources of Funding:</u></b>	<b><u>Funding</u></b>
Taxation	2,205,300
Government Transfers	19,345,500
Other Sources	2,313,900
Restricted Surplus	11,423,900
<b>Total Funding for Projects</b>	<b>35,288,600</b>

Capital Purchases are up \$10M from 2013. This is largely due to the ambulance facility being built that has been budgeted at \$6.7M, additional fleet purchases of \$1M, a new municipal software package budgeted at \$1.6M, and an Aerial Ladder budgeted at \$1.5M for the Acheson fire hall.

The bulk of the Capital Budget lies in Engineering Services- 58% and Ambulance - 19%.

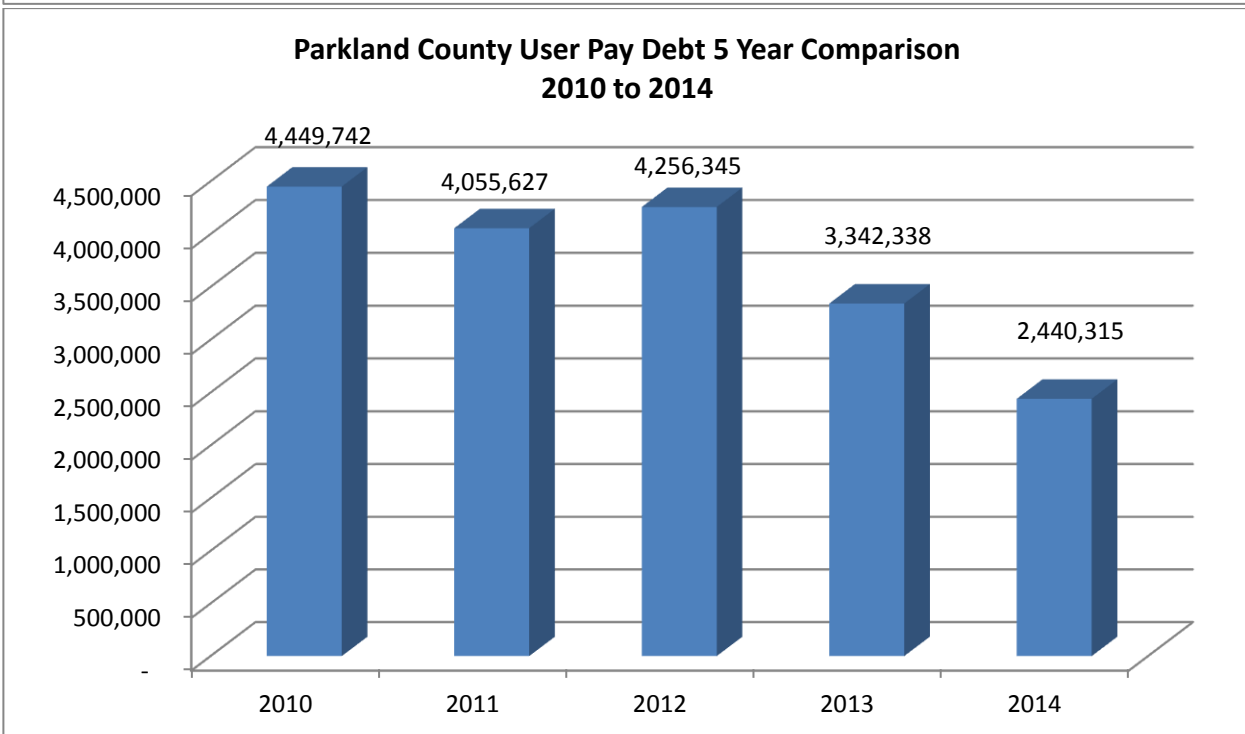
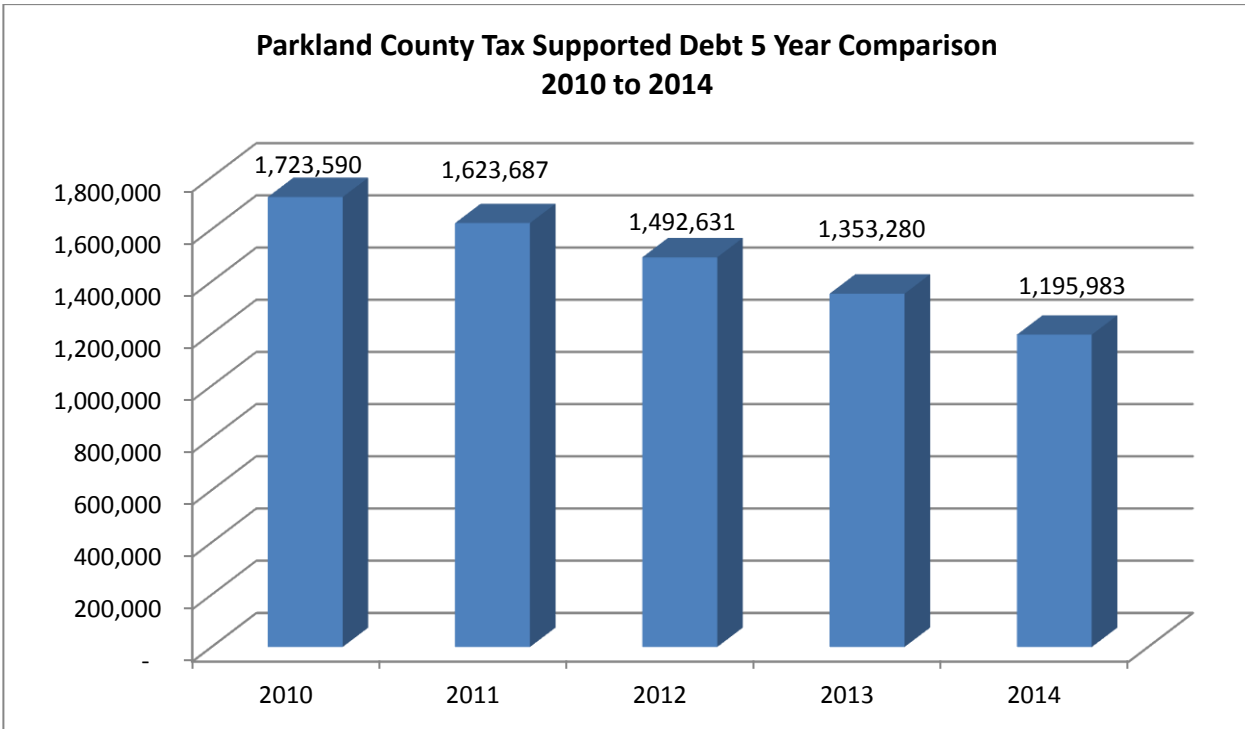
Details of the capital budget can be found under the capital budget tab in your binder and will be discussed in further detail during the departmental budget presentations.

## 2014 Capital Purchases Funding Summary



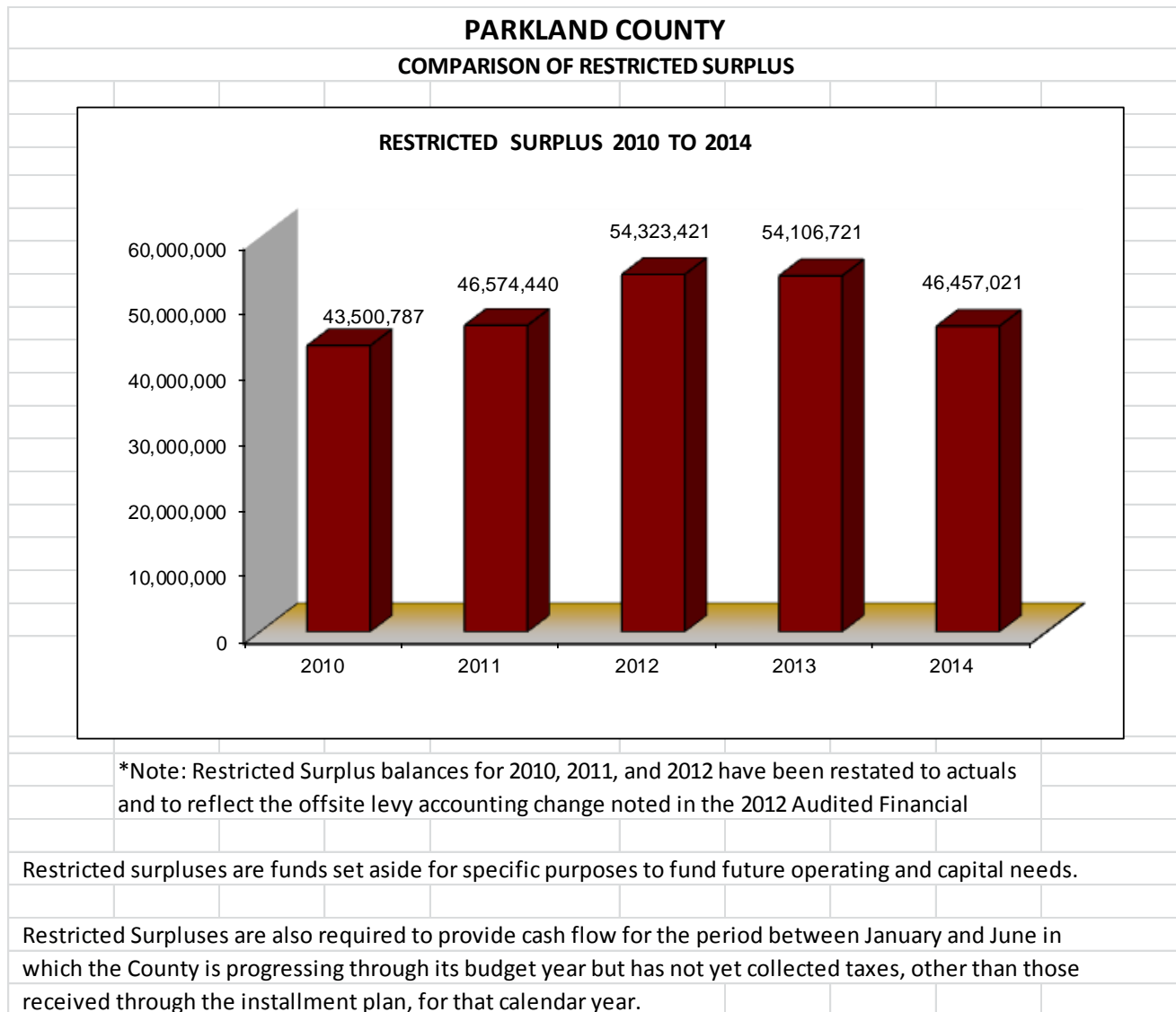
**Long - Term Debt**

There is no new debenture debt in 2014.



## Restricted Surplus

As seen below the net change to Restricted Surplus as a result of the 2014 budget will be a \$7.6M decrease. The respective departmental budgets that include transfers to or from Restricted Surplus will be discussed in the following presentations' should there be a significant change from the 2013 budget.



## What's Next?

December 10, 2013 – Budget to Council for approval.

April 8, 2014 – Spring Budget Adjustments