



MUNICIPALITY OF CROWSNEST PASS

AGENDA

Special Budget Meeting

Council Chamber at the Municipal Office

8502 – 19 Avenue, Coleman, Alberta

Friday, September 7, 2018 at 1:00 pm

(Budget Packages can be viewed at

<https://www.crowsnestpass.com/municipalgovernment/council/meeting-packages-minutes>)

1. CALL TO ORDER

2. ADOPTION OF AGENDA

3. REQUEST FOR DECISION – 2019 BUDGET CALENDAR AND

DEVELOPMENT GUIDELINES

- a) 2019 Council Budget Timetable
- b) 2019 Budget Development Guidelines
- c) Consumer Price Index
- d) Consumer Price Index Change

4. ADJOURN

Next Budget Deliberation Meeting October 4, 2018 at 9am In Council Chambers

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Municipality of Crowsnest Pass
Request for Decision

Meeting Date: September 7, 2018

To: Council

Originated by: Ola Oladele, Director of Finance

Subject: Budget 2019 Calendar and Development Guidelines

Recommendation:

That Council approve the Budget 2019 Calendar and the Budget 2019 Development Guidelines

Executive Summary:

The Budget 2019, along with a forecast for 2020-2021, will provide a foundation for the Municipality to meet public service and infrastructure needs of residents. In addition, the budget guidelines will provide information to residents and other interested parties in learning about Council's thought process in developing the municipality's annual budget.

Relevant Council Direction, Policy or Bylaws:

MGA Section 242

Discussion:

Section 242 (1) of the Municipal Government Act (MGA) states that each Council must adopt an operating budget for each calendar year.

Best practices indicate that a government should establish an administrative structure that facilitates the preparation and approval of a budget in a timely manner and procedures should be established for ensuring coordination of the budget process. A process is also needed to develop and communicate the guidelines that will guide budget preparation. For the budget to be adopted in a timely manner, processes should be developed to assist stakeholders (Residents, Council, Administration and Boards & Committees) in decision making.

Government Finance Officers Association (GFOA) recommends the following process in preparing and adopting a budget:

1. Develop a budget calendar
2. Develop budget guidelines and instructions
3. Develop mechanisms for coordinating budget preparation and review
4. Develop procedures to facilitate budget review, discussion, modification, and adoption
5. Identify opportunities for stakeholder input.

Given that the municipality does not have a strategic plan for 2019 and beyond, administration is seeking guidance and direction from Council on Budget 2019. If there are no initiatives, administration will proceed with preparing Budget 2019 assuming the existing service level of 2018 will be maintained.

The Budget 2019 calendar is also attached for Council's consideration. The proposed budget calendar has been developed to accommodate attendance at RMA's fall convention. Some of the budget meetings have been set as part of the regular council meeting in order to effectively use Council's time.

Once approved, the proposed budget development guidelines and calendar will help ensure that the budget is prepared in a manner that is consistent with Council's direction. The guidelines are necessary so that everyone involved in developing the budget, especially administration know what is expected, thereby minimizing misunderstanding and extra work.

The goal of is to have Budget 2019 along with 2020-2021 projections approved by December 18, 2018.

Analysis of Alternatives:

N/A

Financial Impacts:

2019 municipal budget

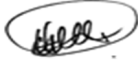
Stakeholder Engagement:

N/A

Attachments:

- Draft Budget 2019 Calendar
- Draft Budget 2019 Development Guidelines
- Government of Alberta Consumer Price Index

Authorization



Submitted by: _____ **Ola Oladele, CPA CGA**
Director of Finance

Date: 2018-08-13

Approved by: _____ **Patrick Thomas, P. Eng., CLGM**
Chief Administrative Officer

Date:

BUDGET 2019 COUNCIL CALENDAR

<p>September 7, 2018 – 1 PM <i>Special Budget Meeting</i></p>	<ul style="list-style-type: none"> • Consideration of the: <ul style="list-style-type: none"> ○ Budget 2019 Calendar ○ Budget 2019 Development Guidelines
<p>October 4, 2018 – 9AM <i>Special Budget Meeting</i></p>	<ul style="list-style-type: none"> • Presentation of Draft Budget 2019 Public Input Questions • Council set Budget 2019 operating plans for its boards and committees • Budget 2019 New Initiatives Presentation by Operating Departments <ul style="list-style-type: none"> ○ Protective Services ○ Community Services ○ Corporate Services ○ Development & Trades ○ Operations / Public Works ○ Finance
<p>November 5, 2018 – 10:30 AM <i>Special Budget Meeting</i></p>	<ul style="list-style-type: none"> • Review of Budget 2019 Public Input Questionnaire Results • Review & Approve Grants to Community Organizations • Council Committee & Board Budget Presentation: <ul style="list-style-type: none"> ○ Municipal Library Board (1 PM – 1:45 PM) ○ Crowsnest Pass Community Pool Society (2 PM – 2:45 PM) ○ Pass Powderkeg Ski Hill Authority (3:00 PM – 3:45 PM) ○ Economic Development Advisory Committee (4 PM – 4:45PM)
<p>December 11, 2018 – 9 AM <i>Special Budget Meeting</i></p>	<ul style="list-style-type: none"> • Draft Budget 2019 Department Presentations • Draft Budget 2019 Operating & Capital Budget Presentation • Budget 2019 Public Input
<p>December 14, 2018 – 9 AM <i>Special Budget Meeting</i></p>	<ul style="list-style-type: none"> • Additional Council Debate – If Necessary
<p>December 18, 2018 – 7 PM <i>Regular Council Meeting</i></p>	<ul style="list-style-type: none"> • Council Debate & Approval of Budget 2019 Operating & Capital Budget
<p>April 2018 – TBA <i>Regular Council Meeting</i></p>	<ul style="list-style-type: none"> • Fees, Rates & Charges – First Reading • Tax Rate Bylaw - First reading
<p>April 2018 – TBA <i>Regular Council Meeting</i></p>	<ul style="list-style-type: none"> • Fees, Rates & Charges – Second & Third Reading • Tax Rate Bylaw – Second & Third Reading



2019 Budget Development Guidelines

The purpose of setting guidelines for Budget 2019 with 2021 and 2021 forecast is to formalize Council expectations and to provide a framework within which the budget can be developed and ultimately approved.

Guideline 1 – Inflation

THAT increases in operating expenses and projection for project costs be based on CPI (Canada and Alberta).

- 2019 - 2.5%
- 2020 – 2.5%
- 2021 – 2.5%

Administration may deviate from these percentages where evidence indicates that historical numbers are inaccurate. The general inflation rate does not include contracted services as those will be budget using actual budget amount.

Guideline 2 – Strategic Priorities

THAT each Municipal department be required to align its programs with the Strategic Priorities determined by Council and be required to directly identify how each program supports the stated priorities.

THAT Council discuss if the items deferred from Budget 2018 be included in the Budget 2019:

- Facility & Way Finding Signage
- Walking Trail Enhancement – Deferred till 2019
- Albert Stella Decommissioning
- Communities in Bloom
- Water Meter Implementation
- Recreation Facilities Master Plan / Upgrades

Guideline 3 – Capital Project Priorities

THAT Management work within the current 10 Year Capital Plan

THAT Council approve the 2020 Capital Plan

THAT any additions to the capital plan be brought to Council for approval

Guideline 4 – Service Levels

THAT Budget 2019 be developed based on existing service levels, unless specific areas are identified by Council for review.

Guideline 5 - Efficiencies

THAT each Municipal department investigate and report on cost containment and efficiency strategies.

Guideline 6 – New Services

THAT all requests for funding of new ongoing program items for Budget 2019 be separately presented for consideration by Council as “New Initiatives” and to be funded only if monies are available after basic service provision objectives have been met.

Guideline 7 – Reserves

THAT Budget 2019 reflect an ongoing commitment to the funding of reserves to support long-term planning and required infrastructure maintenance and replacement

THAT the municipality budget for reserves at the following rate: 3%, 3%, and 3% in years 2019, 2020, and 2021 respectively

THAT the municipality budget Utilities Reserves at a rate of 7.5% of all eligible expenditures

THAT Council discuss the re-designation of the Offsite Levy Reserve balance

Guideline 8 – Debt

THAT the Municipality enter Long Term Borrowing as outlined in the 10-year capital plan

Guideline 9 – Transparency and Public Input

THAT Budget 2019 meetings be publicly advertised and open to the public and allow sufficient time for public comment and questions.

Guideline 10 – External Committees & Boards

THAT External Committees develop a program for 2019 that is supported with a budget that is presented to council.

- Senior Housing Board
- Economic Development Committee
- Parks & Recreation Authority
- Family & Community Support Services
- Pass Powderkeg Ski Hill
- Pass Community Pool
- Ag. Services Board
- Protective Services Advisory Board
- Crowsnest Community Library
- Municipal Planning Commission
- Municipal Historic Resource Board

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Alberta Regional Dashboard (https://RegionalDashboard.alberta.ca/)

Economic Dashboard (http://economicdashboard.alberta.ca/)

Major Projects Map (http://majorprojects.alberta.ca/)

Due to changes to Statistics Canada's Cansim tables, some indicators may not be updated in a timely manner. We are working to fix the issue and apologize for any inconvenience this may cause.

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Consumer Price Index Change

The Consumer Price Index or CPI is an indicator of changes in consumer prices experienced. It is obtained by comparing, over time, the cost of a fixed basket of goods and services purchased by consumers.

View data:

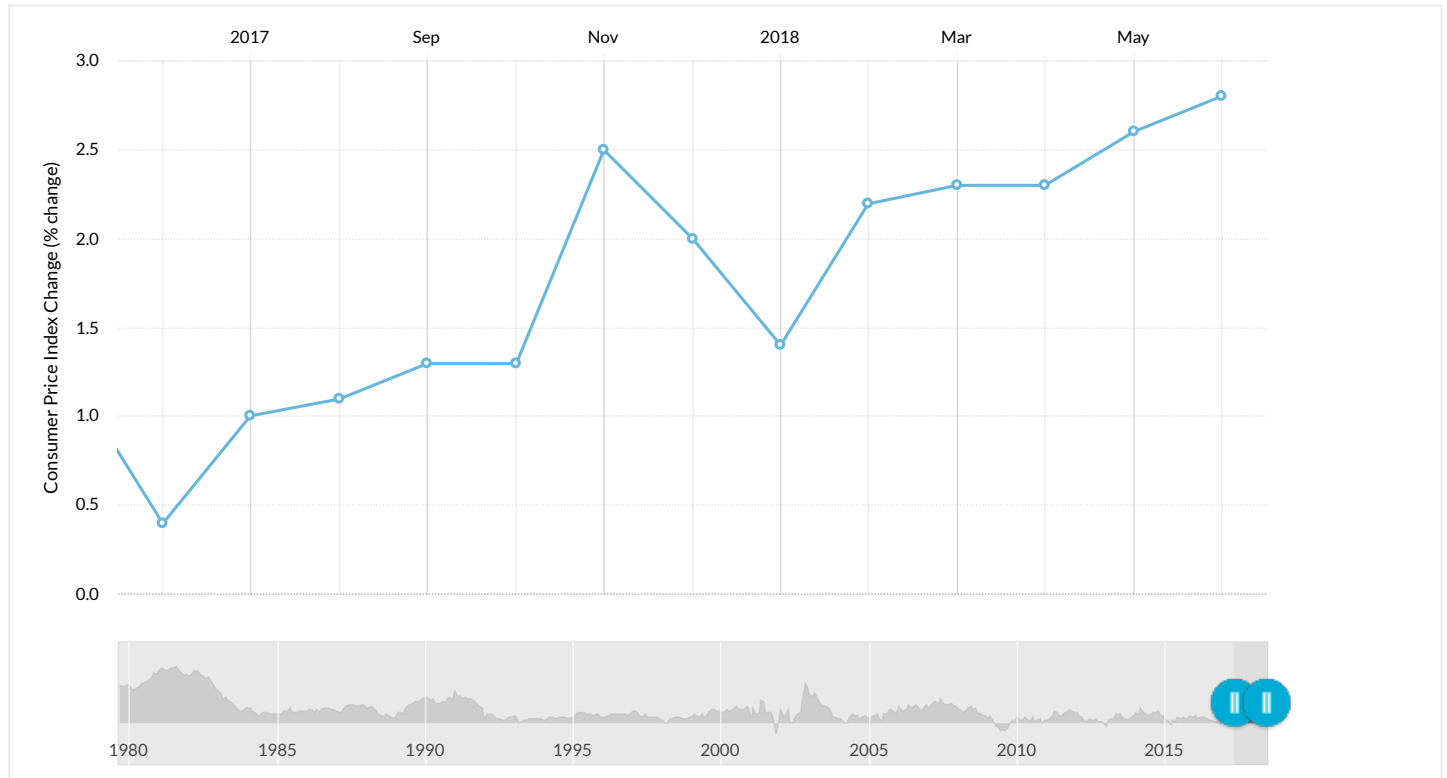
Alberta By Province By Type

Download

Touch the graph for more detail

Jun 2017 to Jun 2018

1 year 5 year 10 year All available



Adapted from Statistics Canada, Table 18-10-0004-01 (https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401) (Consumer Price Index, 2011 basket). This does not constitute an endorsement by Statistics Canada of this product.

CONSUMER PRICE INDEX

TREND	2017	2018	% CHANGE
⊕	136.9	140.7	2.8%

Analysis

PUBLISHED - Aug 10, 2018

On a year-over-year basis, Albertans paid 2.8% more in June 2018 for the goods and services that comprise the Consumer Price Index (CPI) than in the same month a year ago, slightly higher than the national average rise in CPI of 2.5%. Energy prices increased the most in Alberta (+21.1%), while recreation, education and reading (-0.2%) and household operations, furnishings and equipment (-0.5%) were the only product categories to see a decline.

Economic Indicators

View data for:

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View data:

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Consumer Price Index

UNADJUSTED		2017	2018	% CHANGE
Energy	↑	142.0	172.0	21.1%
Food	↑	142.3	143.2	0.6%
Shelter	↑	163.1	166.4	2.0%
Household operations, furnishings and equipment	↓	122.7	122.1	-0.5%
Transportation	↑	133.5	145.1	8.7%
Recreation, education and reading	↓	114.6	114.4	-0.2%
All-items excluding food and energy	↑	134.9	137.2	1.7%

TREND:	INC ↑	DEC ↓	NO CHG ○	POS ●	NEG ●
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