



## MUNICIPALITY OF CROWSNEST PASS

### MINUTES

#### Special Budget Meeting

Tuesday, December 11, 2018

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A special budget meeting of the Council of the Municipality of Crowsnest Pass was held in Council chambers on Tuesday, December 11, 2018

#### **Council Present:**

Mayor Blair Painter, Councillors: Marlene Anctil, Dave Filipuzzi, Doreen Glavin, Lisa Sygutek, Dean Ward, Gordon Lundy

#### **Administration Present:**

Patrick Thomas, Chief Administrative Officer  
Ola Oladele, Director of Finance  
Jesse Fox, Manager of Protective Services  
Wayne Robotka, Manager of Operations  
Kristin Ivey, Manager of Corporate Services  
Mel Bohmer, Director of Development, Engineering and Operations  
Sasha Lassey, Recording Secretary

#### **Absent:**

Joey O'Brien, Manager of Community Services  
Alexa Levair, Manager of Planning and Trades

### **CALL TO ORDER**

Mayor Blair Painter called the meeting to order at 9:09 am.

### **ADOPTION OF AGENDA**

#### **Additions:**

Councillor Ward requested an item for In Camera for the purpose of discussion of the matters of Personal Privacy, under the FOIPP Act, Section 17

**B01-2018-12-11:** Motion made by Councillor Filipuzzi to adopt the agenda as amended. Carried

## **MINUTES OF NOVEMBER 1, 2018**

**B02-2018-12-11:** Motion made by Councillor Anctil to approve the November 1, 2018 Budget Minutes as presented. Carried

## **2019 DRAFT BUDGET PRESENTATION**

Director of Finance, Ola Oladele and CAO, Patrick Thomas presented the 2019 draft budget presentation.

### **Budget Basics**

- Patrick Thomas reviewed the reasons and framework for creating municipal budgets
- It is a key tool in achieving Council's Strategic Priorities
- Discussed components of the operating and capital budgets

### **Department Presentations**

Ola Oladele provided a brief overview of the Municipality's financial status

- Discussed 2017, current and 2019 proposed staffing levels
  - Includes a 0.6 reduction in Protective Services Administrative position, a 0.5 increase to Corporate Services for an increase to full time Health and Safety Officer and a 0.5 increase for a part time IT position
  - Will also include a full time Economic Development Officer

### **Council**

- Reviewed 2018 accomplishments and 2019 plans and priorities
- Budget summary reflects changes within the Council Remuneration Policy and transfer of administrative costs to the CAO Office

### **General Administration**

Patrick Thomas reviewed 2018 accomplishments and 2019 plans and priorities for each sub-department, including the CAO Office, Corporate Services, and Health and Safety.

**B03-2018-12-11:** Motion made by Councillor Sygutek to increase the Health and Safety Officer position by 0.5 FTE in the 2019 budget year. Carried

**B04-2018-12-11:** Motion made by Mayor Painter for a short recess at 9:54am. Carried  
Mayor Painter reconvened the meeting at 10:09am

### **Financial Services**

Ola Oladele presented the 2018 accomplishments and 2019 plans and priorities for the Financial Service department.

Reviewed the 2019 summary budgets for the following:

#### **General Administration**

- Overall budget summary for 2019 is a 13% increase
- Moved 0.5 FTE to Council Budget
- CAO wage is shown as a full year
- Contracted Services and Initiatives include initiatives changes
- General purchases down to reflect historical trends
- Legal fees reflect legacy issues
- Utilities have seen a reduction due to newly negotiated rates

#### **General Government**

- Overall budget summary for 2019 is a 12.1% increase
- Includes adjustments for taxes, Alberta School Foundation Tax (ASFF), Electrical and Gas Franchise Fees, Investment Income, other revenues and cost recoveries, user fees and sales and goods
- Also includes expenses related to ASFF requisition, transfer to reserves, senior's housing requisition, and tax rebates and adjustments
- Reduction in reserve transfer is to fund the loan payment for ice place replacement at the Sports Complex: replacement will result in no additional tax increase

- Requisition from the Senior's Housing increased by 10%

### **Economic Development**

- Includes salaries and benefits for the new Economic Development Officer position (EDO); wage gapping is noted as position will not start in the beginning of 2019
- Conditional grant is expected towards the newly created EDO position

### **Community Services**

Ola Oladele presented the Community Services department summary overview.

#### **Recreation**

- Adjusted 2019 budget summary to reflect reduction in revenue
- Reduction in salaries, wages and benefits due to a reduction in benefits and LAPP contributions
- Overall, reduction of 1.7% in 2019

#### **Administration and Grants**

- Includes category 1, 2, and 3 grant applications
- Initiatives and improvements is for future redesign the Community Float
- Overall 1.2% net increase for 2019
- Detailed information provided for all grants including FCSS

#### **Community Services Transit**

- General purchases and supplies have increased due to cost centre restructuring; adding fleet rental expenses from other departments

#### **FCSS**

- Highlighted 2018 accomplishments and 2019 plans and priorities
- Expenses reduced according to historical usage
- Overall reduction of 1.9% for 2019 budget

#### **Community Services Operations and Recreation Facilities**

- Highlighted the key 2018 accomplishments and 2019 plans and priorities
- Does not include the Pool or Ski Hill

- Administration is reviewing all current master plans before commencing additional investigation on the Recreation Facility Master Plan; 2019 budget currently includes \$100,000 for the plan
- Reduction in wages and benefits and contracted services based on actual and historical values
- Reduction in user fees to reflect historical data
- Council requested that a breakdown of user fees revenue be provided as the projection for 2019 is a 12.2% loss in revenue
- Albert Stella is projected to have a 48.3% reduction in revenue in 2019; Elk's Hall also has a projected reduction of 38.1% revenue for 2019
- Reduction at Complex may be a result of a drop in minor hockey attendance, and less use by outside teams for additional ice time
- Includes initiatives for weed control maintenance, playground maintenance, and Bellevue campground
- Overall 3.1% net increase for the 2019 budget

#### **Pool**

- Discussed 2018 accomplishments and 2019 plans and priorities
- Projected increase in revenue for user fees by 21%
- Salaries, wages and benefits is increased due to minimum wage and additional staffing required to adequately staff the new pool
- Contracted services increased due to startup costs
- Overall net increase of 30.3% for 2019

#### **Ski Hill**

- Discussed 2018 accomplishments and 2019 plans and priorities
- Councillor Lundy contacted Marty Nemeier and current totals for seasons passes are at 775; 1200 were projected for 2018
- 3 eBikes were sold for \$1500 each

*Kristin Ivey exited the meeting at 11:25am*

- Projecting a reduction of 5.0% in overall revenues
- Expenses are increased by 4.3%
- May be representative of over-projected revenues in 2018; 2019 projections are more indicative of historical values
- Overall increase of 24.2% for the 2019 budget

### **Summary of Community Services Department**

- Revenues down by 3%
- Expenses up by 3%
- Overall net increase for 2019 is 7% for the entire department

**B05-2018-12-11:** Motion made by Councillor Anctil to recess for lunch at 11:42am and reconvene at 12:15pm Carried

Mayor Painter reconvened the meeting at 12:27pm

### **Development, Engineering and Operations**

#### **Development and Trades**

- Reviewed 2018 accomplishments and 2019 plans and priorities
- Transfer of \$100,000 from reserves for the Recreation Master Plan
- Initiatives include the lunch and learn program, Emergency Control Centre generator and the Recreation Facilities Masterplan
- Generator was paid for out of reserves in 2018 for \$90,000; \$45,000 will be allocated back to reserves in 2019 and \$45,000 in 2020
- Two positions have been moved to Common Services, resulting in a reduction in salaries, wages and benefits
- Random customer surveys were completed with favourable results
- Safety Codes Officers are also included in Common Services for facility maintenance

- 2019 summary budget has an overall net decrease of 16%

### **Transportation**

- Reviewed 2018 accomplishments and 2019 plans and priorities
- Initiatives include tree trimming and mechanic tool replacement
- Transfer of reserves to repair the grader
- 2019 budget summary includes a 31.9% increase to general purchases and supplies to account for the department's share of the new centralized fleet and facilities cost centre that is now distributed across the organization
- Reduction in salaries, wages and benefits as some have been moved to Common Services
- Review of cost splitting for cemetery costs in Transportation and Community Services
- Overall summary for 2019 transportation projects a 3% net increase

### **Utilities**

Patrick Thomas provided some background on the water utility system within the Municipality of Crowsnest Pass, which includes water, wastewater and solid waste.

- Reviewed 2018 accomplishments and 2019 plans and priorities
- 2019 Initiatives include a valve exercising program, hydrant flushing, headsets and decommissioning of old wells
- Decrease in salaries, wages and benefits reflects partial move to Common Services
- Utility 2019 budget summary includes a 5.1% increase in revenues, 7.0% increase in expenses, with an overall net decrease of 5%

### **Common Services – Fleet and Facilities Management**

- Newly created division to centralize the administration of fleet and facilities maintenance
- Facility maintenance and mechanical position salaries, wages and benefits and all expenses related to those staff have been reallocated to this new cost centre for better efficiencies and improved decision making in the future
- Rates for equipment use are set and will be evaluated yearly as part of the annual budgeting process

## **Overall Development, Engineering and Operations Department**

- 2019 budget summary projects a 24% increase in revenues, a 12% increase in expenditures with an overall net decrease of 1%

## **Protective Services**

Patrick Thomas reviewed the Protective Services department 2018 accomplishments and 2019 plans and priorities for the Crowsnest Pass Fire Rescue, Bylaw Enforcement and Agriculture and Environmental Services.

- Includes initiative for the feral cat program
- Salaries and wages is to reflect current fire fighter staffing levels as well as elimination of 0.6 Administrative Assistant position
- General purchases and supplies increased due to the department's share of the new centralized fleet and facilities cost
- Councillor Glavin brought forth discussion the training budget allowances for Agricultural and Environmental Services
- 2019 summary budget for Protective Services project a 1% revenue increase, a 1% reduction in services and an overall 2% net decrease overall

**B06-2018-12-11:** Motion made by Councillor Sygutek fir a short recess at 1:42pm.

Mayor Painter reconvened the meeting at 1:57pm

## **Draft Operating & Capital Budget**

### **2019 Operating Budget**

Director of Finance, Ola Oladele reviewed some of the 2019 operating budget considerations and provided four 2019 budget scenarios for council's consideration:

1. No New Initiatives and No PPK or Pool Increase
  - a. Maintain status current status quo except for known items like requisitions and franchise fees
  - b. Overall revenue increase of 8%, a 1% decrease in expenditures and an overall net decrease of 0.5% in 2019



- c. Does not include an increase to utility rates
  - d. Would result in a 0.52% decrease in property taxes requirements
2. No New Initiatives and PPK and Pool Increase
- a. Includes no new initiatives and an increase to the pool and ski hill budgets
  - b. Overall revenue increase of 6%, 3% increase in expenditures and an overall net increase of 2.8% in 2019
  - c. No utility increases included
  - d. Would result in a 2.79% property taxes requirement for 2019
3. All Initiatives Funded from Tax Increase
- a. All initiatives presented and approved by council will be funded by property tax
  - b. Includes proposed increases to pool and ski hill
  - c. Overall revenue increase of 9%, 39% increase in expenditures and an overall net increase of 39%
  - d. Would result in a 38.75% increase to property taxes requirements for 2019
4. Administration Recommended Budget
- a. Includes a 2.5% increase over 2018 ASFF Requisition and a 10% increase to Senior's Housing Requisition
  - b. Includes conditional grants for Economic Development Officer position
  - c. Changes in user fees and sales of goods including 1.5% increase to utility rates; \$27,000 reduction to ski hill and \$17,000 increase to the pool
  - d. Includes \$100,000 transfer of reserves for Recreations Facilities Study, Coleman Historic Area Redevelopment Plan and well decommissioning
  - e. Increase to investment income of \$47,000
  - f. Includes inflation of 2.5% where required
  - g. Reflects changes to LAPP, CPP and benefit rates
  - h. Legal fees adjusted for legacy issues
  - i. Propose to pay for Sports Complex upgrades through long term debt financing; approximately \$10,000 in new property tax would be required to fund the upgrade
  - j. Includes \$386,000 in grants and donations
  - k. Propose total initiatives of \$3 million; administration recommends \$2.4 million

1. Overall revenue increase of 10%, 4% increase in expenditures and an overall net increase of 4%

### **2019-2020 Capital Budget**

Patrick Thomas reviewed the 2019-2020 Draft Capital Budget which includes:

- \$17 million of capital projects over the next two years
- 2019 Budget already approved
- \$1.68 million added to the 2019 Capital Budget as part of the 2019 new initiatives (administration recommended)
- Phase 2 & 4 of Frank Wastewater Treatment Plant reallocated to 2020
- Various projects including water meters, outdoor skate park, Sports Complex ice plant

### **Long Term Debt**

- Current municipal debt is \$6,061,677; within debt limit allowed by the Municipal Government Act
- \$1.5 million added in 2019; \$2.7 million added in 2020
- Water meters not included as council requires further discussion

### **Reserves**

- Projected reserves for 2018 is \$6.9 million
- Net transfer to reserves is \$350,539
- 2.5% additional reserve contribution in utilities, totaling 7.5%
- Projected reserve balance at end of 2019 will be \$7.5 million
- Includes budget allocation for Community Groups Initiative Grants as requested by Council

### **Summary**

Ola Oladele provided a summary of the recommended 2019 budget.

## **Property Tax Impacts**

Utilizing the 2019 budget as recommended by administration will result in:

- 3.5% increase to residential tax rate; \$6 per month increase to a house valued at \$300,000
- 4.5% increase to non-residential tax rate

## **Utility Rates**

Utilizing the 2019 budget as recommended by administration will result in:

- 1.5% increase to utilities; \$1.35 per month increase to a residential account

**B07-2018-12-11:** Motion made by Councillor Lundy to have a short recess at 2:56pm

Mayor Painter reconvened the meeting at 3:08pm

**B08-2018-12-11:** Motion made by Councillor Anctil to go In Camera for the purpose of discussion of the matters of Personal Privacy, under the FOIPP Act, Section 17 at 3:09pm

**B09-2018-12-11:** Motion by Councillor Sygutek to come out of In Camera at 3:28pm

## **Additional Comments**

- Council Sygutek brought forth a request for Council to reconsider the category three grant application process and \$500 recommendations as there are some programs that can benefit greatly from a larger resource

**B10-2018-12-11:** Motion made by Councillor Sygutek to reduce the Category 3 grant funding by \$6000 as a one-time allocation in the 2019 budget. Carried

**B11-2018-12-11:** Motion made by Councillor Sygutek to allocate \$5000 annually to Stars Ambulance as part of Category 1 funding. Carried

## **Review of 2019 New Initiatives**

- All suggested conditional grant items- favourable
- Complex Ice Plant replacement- favourable

- Library facilities upgrade- favourable
- Office renovation as part of 2020 Capital plan- favourable
- Snow removal attachment- favourable
- Ski hill walking trail as part of Capital plan- unfavourable
- Ski hill snow guns- unfavourable
- Repaving of parking lots- favourable
  - Councillor Ward excused himself from this discussion based on pecuniary interest
  - Concern regarding repair of two lots that are not municipally owned property although the municipality is required to maintain the right of way
- Swivel and funnel buckets- favourable
- Heated dump box- favourable
- Water wagon- unfavourable
- Masterplans- unfavourable
  - Discussion on the funding resource and timeframe to complete the initiative

**B12-2018-12-11:** Councillor Ward made a motion to defer the Masterplans initiative to 2020.  
Carried

- Beautification of hanging baskets- defer to 2020
- Float design- unfavourable
- Bellevue campground maintenance- favourable
- Health and Safety Officer- favourable
- Council remuneration- favourable
- Economic Development Officer- favourable
- ECC Generator- favourable
  - Discussion on funding resource coming from Electrical reserves as opposed to a tax increase

B13-2018-12-11: Motion made by Councillor Anctil to reallocate the funds for the ECC Generator from taxes to the Electrical sale reserves. Carried

- Lunch and Learn program- favourable
- IT Staff- favourable
- Fire Suppression- unfavourable
- Playground and parks maintenance and inspections- favourable
- Hillcrest Sports field- unfavourable
- Pool increased budget- favourable
- Vehicle extrication tools- favourable
- Feral cats- favourable

**2019 BUDGET PUBLIC INPUT**

**ADJOURN**

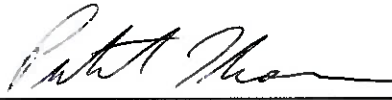
B14-2018-12-11: Motion made by Councillor Filipuzzi to adjourn the meeting at 5:01pm. Carried

**Next Budget Deliberation Meeting December 14, 2018 at 9am in Council Chambers**

  
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**Blair Painter**  
Mayor

Date: Dec 14, 2018

  
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**Patrick Thomas**  
Chief Administrative Officer

Date: Dec 14, 2018