



MUNICIPALITY OF CROWSNEST PASS

MINUTES - SPECIAL BUDGET MEETING

Thursday, December 1, 2022

**A special budget meeting of the Council of the Municipality of Crowsnest Pass was held in
Council Chambers Community Centre on Thursday, December 1, 2022**

Council Present: Mayor Blair Painter, Councillors: Dave Filipuzzi, Doreen Glavin, Glen Girhiny,
Lisa Sygutek, Dean Ward, Vicki Kubik

Administration Present:

Patrick Thomas, Chief Administrative Officer
Brian McCulloch, Director of Finance
Trent Smith, Manager of Community Services
Jesse Fox, Manager of Protective Services
Johan van der Bank, Manager of Development and Trades
Katherine Seleski, Manager Pass Powderkeg Ski Hill
Sasha Lassey, Recording Secretary

Administration Absent:

Kristin Ivey, Deputy Chief Administrative Officer
Gord Gosse, Manager of Transportation
Derek Shaw, Manager of Utilities

CALL TO ORDER

Mayor Blair Painter called the meeting to order at 9:00 am.

ADOPTION OF AGENDA

B01-2022-12-01: *Councillor Filipuzzi moved to adopt the agenda as presented. Carried*

ADOPTION OF MINUTES

Adoption of the minutes of September 15, 2022

B02-2022-12-01: *Councillor Glavin moved to adopt the minutes of September 15, 2022, as presented. Carried*

Adoption of the minutes of October 13, 2022

B03-2022-12-01: *Councillor Girhiny moved to adopt the minutes of October 13, 2022, as presented. Carried*

DRAFT BUDGET PRESENTATION

CAO, Patrick Thomas presented the 2023 Draft Municipal Budget to Council. Administration reviewed the agenda including department presentations, capital plan, initiatives, and potential implications to the ratepayer.

Administration presented two options for Council's review: A base budget with no initiatives identified and a budget with initiatives as identified by Council and Administration's recommendations.

2023 Budget Assumptions

Administration considered the following assumptions when drafting the 2023 budget:

- 2% Consumer Price Index (CPI)
- 4% Transfer to Reserves (Utilities 15%)
- 1% Mill Rate increase is equal to \$99,537

Challenges in Creating the 2023 Budget

There were various challenges in creating the 2023 budget including:

- Utilities (natural gas and electricity) increased in 2022 and projected to increase by \$400k in 2023
- Fuel increased in 2022 by \$88k
- Principal on debt increased \$100k
- Interest on debt increased \$56k
- Increase in reserve transfer of \$600k
- Inflation impacting cost with Alberta CPI at 6.5%
- ASFF increased in 2022 and has been carried forward into 2023
- Provincial RCMP funding increased by \$63k
- Two additional positions created in 2023; cost implication is \$122k
- Budget 2022 approved with a \$277k deficit

2023 DEPARTMENTAL BUDGET

Administration presented the 2023 departmental budget to Council.

COUNCIL

Administration presented Council's 2022 key accomplishments, 2023 goals and the 2023 budget.

- Removed revenue and expense for strategic plan (\$40k respectively)
- Increase in wages as per updated remuneration policy (\$70K)
- Increase in reserves accordingly (\$5K)

GENERAL ADMINISTRATION

General Government

Administration presented the General Government department 2022 key accomplishments, 2023 goals and the 2023 budget

- Increased ASFF taxes (\$406k in both revenue and expenses)
- Increased franchise fee revenue (\$51k)
- Increased tax penalties (\$10k) and utility penalties (\$18.5k)
- Increased interest on long term investment (\$15k)
- Increased property taxes (\$861k) – 2022 actuals
- Decreased in senior requisition (\$150K)
- Increased grants (\$39k increased Seniors Lodge and \$29k grants to organizations)
- Decreased grants (\$150k seniors requisition)
- Increased senior rebates (\$8.5k)
- Increased transfer to reserves for future legal (\$220k)
- 2022 had a reduction in reserves to balance budget (\$277k)

CAO OFFICE

Administration presented the CAO Office department 2022 key accomplishments, 2023 goals and the 2023 budget

- Overall, a small department increase (\$6k)

CAO Office

- Small increases in lodging, registration fees, supplies, wellness activities (\$5k combined)
- Decrease in contracted services from 2022 New Initiative (\$50k)
- Small increase in emergency ops prep (\$3k)

- Salary adjustment to appropriate departments (\$24k)
- Increased reserve transfer (\$10k)

Economic Development

- Addition of Outdoor Adventure Tradeshow expense (\$4k)
- Increase in marketing budget (\$9k)
- Increased reserve transfer (\$1k)

CORPORATE SERVICES

Administration presented the Corporate Services department 2022 key accomplishments, 2023 goals and the 2023 budget

- Overall net reduction in budget for the department (\$27k)

Corporate Services

- Decrease in cost recovery and salaries due to reduction in WCB wage recovery (\$19k and \$52k, respectively)
- Decrease in mileage, memberships, advertising and supplies (\$10k)
- Increase in reserve transfer (\$5k)

Elections

- Election scheduled for 2025
- Increased transfer to reserve to cover increased cost of election and new computers

Health and Safety

- Decrease of Administration as auditing fees are every 3 years (\$4k)
- Addition of contracted training (\$2.5k)
- Decrease of registration fees (\$1.5k)

- Small salary adjustment
- Increase in reserve transfer (\$1k)

FINANCIAL SERVICES

Administration presented the Financial Services department 2022 key accomplishments, 2023 goals and the 2023 budget

- Overall, a modest department increase (\$12k)

Fianance

- MSI operating grant aligned with where funds are deposited within Finance
- Increased business licenses for tourist homes and short-term rentals (\$70k)
- Increased interest (\$10k)
- Small increase on photocopier lease (\$2k)
- Increase in insurance (\$3.5k)
- Increase in utilities (\$4k)
- Increase in carbon levy (\$2k)
- Salary adjustment to appropriate departments (\$17k)
- Increase in reserves (\$3k)

Information Technology

- MSI operating grant aligned with where funds are deposited within Finance
- Increased contracted services for various IT solutions (\$41K) – centralized where these were billed
- Increased software licenses (\$10K)
- Increase reserve transfer (\$7k)

Warehouse

- Increase in freight (\$1k)

- Decrease in phones (\$1.1k)
- Increase in utilities (\$3.4k)
- Small salary adjustment
- Increase in reserves (\$1k)

COMMUNITY SERVICES

Administration presented the Community Services department 2022 key accomplishments, 2023 goals and the 2023 budget

- Majority of net change is increased utility costs (\$89k)
- Without utility increases, net increase is approximately 1%

Recreation Facilities

- Increased rental and lease income (\$23k) – MDM fully booked, Junior A team, pistol club
- Increased sale of service (\$37K) – was partially budgeted as rental income previously (\$20k), remainder is increase gymnastics fees (\$17k)
- Decrease in supplies/materials (\$2.5k)
- Increased contracted for increased garbage at MDM (\$5k)
- Increased utilities (\$62k)
- Increased carbon levy (\$17k)
- Minor salary adjustment (\$2k)
- Minor increase of bank service charges (\$1k)
- Increased transfer to reserves (\$14k)

Recreation Programs

- Decrease of meals (\$1k)
- Contract reserves reduced (\$3.5k)
- Increase of memberships (\$900)
- Small salary adjustment

- Increase of bank service charges (\$1k)
- Increased transfer to reserves (\$3k)

Trails

- Addition of Miner's path lease (\$1.2k)
- Minor adjustments otherwise

Transit

- Increase in contracted services due to fuel costs (\$2.4k)
- Minor adjustments otherwise

Green Spaces

- Removal of the Canada Summer Jobs grant (\$12K)
- Reduced rental to projection for 2023 (\$5k)
- Reduced contracted services (\$17k)
- Addition of garbage can replacements (\$10k) – no ARCRC grant now
- Increased utilities (\$1k)
- Addition of one summer student (\$15k)
- Adjusted summer hours to average actual (\$18k)
- Increased reserve transfer (\$3k)

Culture

- Increase in library wages (\$4k revenue and expense)
- Increase in grants to community groups (\$45k)
- Increased utilities (\$6.5k)
- Increased carbon levy (\$2k)
- Increase repairs and maintenance (\$5k)
- Decrease transfer to reserves (\$27k) – deferred grants during Covid-19

FCSS

- Increased donation and supplies for food hampers (\$1k)
- Increased sales and contract for MoW (\$6k respectively)
- Decrease in auditing as not required in 2023 (\$2k)
- Addition of summer movie nights (\$7.5k)
- Small increase to contracts for various events (\$3k)
- Decreased grants to community groups (\$16k)
- Addition of fall BBQ (\$7.5K)
- Increase in supplies for various events (\$3k)
- Small salary adjustment (\$1.7k)

PASS POWDERKEG SKI HILL

Administration presented the Pass Powderkeg Ski Hill 2022 key accomplishments, 2023 goals and the 2023 budget

- No longer receiving Canada Summer Jobs grant (\$16k)
- Removed donations as they are very sporadic in nature (\$6.5k)
- Additional rental income from summer commission (\$5k) and additional race training (\$1.5k)
- Increase in summer sales and season tickets (\$24k)
- Reduction in freight (\$1.2k) and membership fees (\$2.2k)
- Inclusion of UROC trail maintenance (\$6k) and bike park project (\$21k)
- Increased repairs to water pipe (\$15k)
- Increased license and registrations fees (\$7k)
- Increased fuel costs (\$4k)
- Increased utilities (\$10k)
- Annual replacement of springboxes (\$5k)
- Adjustment to wages for winter/summer operations (\$19k) and also the addition of second student that was previously funded by Rupertland grant (\$15k)
- Increased transfer to reserves (\$13k)

PASS COMMUNITY POOL

Administration presented the Pass Community Pool 2023 key accomplishments, 2023 goals and the 2023 budget

- Decrease of income to 5-year average (\$30k)
- Adjusted expense items to 5-year average
- Increased utilities (\$8k)
- Increased carbon levy (\$5k)
- Slight increase in wages for overtime (\$3k)
- Decrease in debt interest (\$2.3k)
- Increase in transfer to reserves (\$2.7K)

Mayor Painter requested a short recess at 10:20am. Carried.

Mayor Painter reconvened the meeting at 10:37am.

DEVELOPMENT, ENGINEERING AND OPERATIONS

Administration presented the Development, Engineering and Operations department 2023 key accomplishments, 2023 goals and the 2023 budget.

- Majority of net change is increased utility costs (\$242k) and transfer to reserves \$160k)
- Without utility and reserve increases, net decrease of approximately 1%

Development and Trades

- Increase in permits (\$12k)
- Increase in land rentals (\$3k)
- Increase in land sales (\$50k)
- Increase in development securities/fees (\$10k)
- Increase in contract services for land sales, surveying, and additional Park inspections (\$58k)

- Minor adjustment to salaries (\$1.5k)
- Increased transfer to reserves (\$59k)

Facility Maintenance

- Increased inter-departmental revenue from other departments (\$7.2k)
- Increased supplies and materials (\$25k)
- Increased fuel (\$5.5k)
- Increased repairs (\$3k)
- Minor adjustment to salaries
- Increased transfer to reserves (\$6k)

Transportation

- Increased sale of cemetery plots (\$1.5k)
- Decrease transfer from reserves for 2022 initiative (\$20k)
- Decreased freight (\$3k)
- Various contracted services increases and decreases (net \$12k decrease)
- Increased interdepartmental expenses (\$5k fleet and \$7k facilities)
- Increased fuel (\$60k)
- Decreased tool replacement (\$5k)
- Decreased sand & gravel (\$30k)
- Increased road supplies (\$8k)
- Decrease rental equipment (\$5k)
- Increased utilities (\$27k)
- Increased carbon levy (\$13.5k)
- Salary adjustment to appropriate departments (\$17k)
- Increased transfer to reserves (\$32k)

Fleet

- Increased inter-departmental revenue from other departments \$(8.2k)
- Increased contracted services (\$10k)

- Decreased licenses (\$15k)
- Increase insurance (\$5k)
- Decreased parts (\$9k)
- Increased fuel (\$6k)
- Increased purchased repairs (\$3.5k)
- Minor adjustment to salaries
- Increased transfer to reserves (\$5k)

Utilities

- Decreased recycling grant (\$2k)
- Increased utility revenue (\$148k) - \$47k water, \$59k sewer, \$41k garbage & recycling
- Increased freight (\$1.5k)
- Increased printing/stationary (\$1.3k)
- Increased garbage contract (\$10k)
- Increased recycling contract (\$50k)
- Increased other contract (\$8k)
- Increased interdepartmental expenses (\$1.4k facilities)
- Increased insurance (\$3k)
- Increased chemicals (\$10k)
- Increased parts/supplies (\$25k)
- Increased fuel (\$8k) Increased utilities (\$215k)
- Increased carbon levy (\$6k)
- Decreased purchased repairs (\$17k)
- Salary adjustment to appropriate departments (\$6k)
- Increased debt interest charges (\$38k)
- Increased transfer to reserves (\$59k)
- Increased tipping fees (\$17k)

PROTECTIVE SERVICES

Administration presented the Protective Services department 2023 key accomplishments, 2023 goals and the 2023 budget.

- Overall net reduction in budget for the department (\$6k)

Fire Rescue

- Small increase on cost recoveries (\$1k)
- Decrease contract for 2022 new initiative (\$25k)
- Increased interdepartmental expenses (\$1.2k)
- Increased utilities (\$15k)
- Increased carbon levy (\$4k)
- Salary adjustment to appropriate departments (\$8k)
- Increased debt interest charges (\$17k)
- Increased transfer to reserves (\$8k)

Enforcement

- Increased dog licenses (\$7k)
- Increased traffic fines (\$2k)
- Increased provincial policing (\$62k)
- Decreased animal control contract (\$8k)
- Increased supplies (\$1k)
- Salary adjustment to appropriate departments (\$24k)
- Increased transfer to reserves (\$1.7k)

Agricultural Services

- Minor increase in contract services (\$1k)
- Minor decrease in fuel (\$900)
- Salary adjustment to appropriate departments (\$47k)
- Increased transfer to reserves (\$1.5k)

2023 DRAFT RECOMMENDED BUDGET

Administration reviewed the 2023 Draft Recommended Budget with Council.

- Overall results in a 2% tax increase

2023 GRANTS TO COMMUNITY ORGANIZATIONS

Administration reviewed the grants to organizations as recommended for the 2023 budget as per Council's approval on October 13, 2022.

- 12 groups submitted for Category 1 Grants
- 10 groups submitted for Category 2 Grants
- 8 groups will be receiving FCSS grants; funding approved directly by the FCSS board

2023 PROPOSED STAFFING

Administration presented 2023 proposed staffing with Council.

- Permanent staff changes increased by two positions
- 3rd CPO position added in 2022 by Council
- Assistant DO position added in 2022 by Council
- Additional Community Services summer student
- Addition summer student at Ski Hill (grant previously)

2023 NEW INITIATIVE HIGHLIGHTS

Administration reviewed each initiative submitted for 2023 as well as Administration's recommendations with Council.

- 42 new initiatives proposed by Council and Administration; 18 are being recommended for the 2023 budget
- Funding sources include Debt, Reserves, Taxes, Donation and various Grants
- The Strategic Plan was used to determine the Initiatives being recommended by Administration
- With limited funding available and to avoid large tax increases, Administration has limited the number of initiatives being recommended.
- Recommended Initiatives \$579,000; (\$170,000 tax supported)

Mayor Painter requested a short recess at 11:47am. Carried.

Mayor Painter reconvened the meeting at 11:57am.

2023-2027 DRAFT CAPITAL BUDGET

Administration presented the 2023-2027 Draft Capital Budget with Council.

- \$24.5 million of capital projects over the next 5 years
- Includes carry forward projects previously approved of \$3 million moved to 2023
- \$379,000 added to the 2023 Capital Budget as part of 2023 Recommended New Initiatives

Capital Project Summary

- Skate Park Pushed to 2026 to give the group time to raise funds
- Beautification Project (single project annually) and Continuation of self watering planters were approved by Council to be on going year over year
- MSI funding is slated to end in 2024 will be replaced with LGFF at a lower rate than MSI (funding structure is still to be determined) Municipal Affairs advised the funding for 2023 and 2024 will be similar to 2022 MSI funding amount

- FGT (Federal Gas Tax) had a name change CCBF (Canada Community Building Fund) but the municipality has been advised the funding will remain the same for 2023
- The grant funding available has been used to determine the financing required for the capital purchases

LONG TERM DEBT

Administration presented the Long-Term Debt schedule with Council.

- Municipal Government Act requires municipalities to limit debt and debt servicing to 1.5x and 0.25x revenue, respectively
- Projected Municipal Debt as of December 31, 2022 will be \$9,931,936
- No additional debt will be added to the municipal debt in 2023; two projects in 2023 will result in increased debt in 2024
- Schedule is split between existing debt and proposed debt based on the capital plan

RESERVES

Administration presented the Municipal Reserves Schedule to Council.

- Projected reserves at the end of 2022 are \$7,116,840
- Net transfer to Reserve is \$177,135
- Current year transfer to reserve was based on 4% tax supported departments and 15% for Utilities
- Projected reserve balances for the end of 2023 are \$7,293,975
- Mill Rate stabilization includes \$200k legal cost for 2023
- Mill Rate Stabilization includes an amount of \$255k to bring the Tax levy increase down to 2%

IMPACT TO RATEPAYERS

Following the presentation of the departmental budget, capital plan, long term debt and reserves, Administration presented the impact to ratepayers as a result of the 2023 Draft Budget.

- At a 2% increase, using the 2021 property tax assessment base (for the 2022 property tax year) on a \$300,000 property, the average household will see a property tax rate increase of \$45.84 per year or \$3.84 per month
- At a 2% increase, using the 2021 property tax assessment base (for the 2022 property tax year) on a \$500,000 property, the average small business will see a property tax rate increase of \$131.04 per year or \$10.92 per month
- At a 4.5% increase in utility rates, the monthly increase for the average household is estimated at \$54.00 per year or \$4.50 per month

PUBLIC INPUT

Councillor Glavin requested a recess at 12:31pm for lunch. Carried.

Mayor Painter reconvened the meeting at 1:08pm.

CONCLUSION

To conclude the 2023 Draft Budget presentation, Administration requested that Council provide approval of the 2023 Operating Budget and approval of the 2023-2027 Capital Budget.

B04-2022-12-01: *Councillor Sygutek moved to approve the 2023 Operating Budget as amended with the 2024 and 2025 Operating Budget projections as presented. Carried*

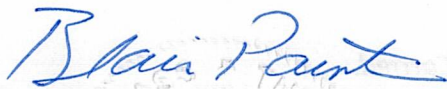
B05-2022-12-01: Councillor Filipuzzi moved to approve the amended 2023 Capital Budget as presented. Carried

B06-2022-12-01: Councillor Filipuzzi moved to approve the 2023 Capital Budget as presented. Carried

Councillor Ward requested that Administration send a notice out to the public regarding the tax implications to ratepayers as a result of the budget deliberations and a list of the approved initiatives for 2023.

ADJOURN

B07-2022-12-01: Motion by Councillor Filipuzzi to adjourn the meeting at 1:23pm. Carried



Blair Painter

Mayor

Date: January 3, 2023



Patrick Thomas

Chief Administrative Officer

Date: January 9, 2023