

SMOKY LAKE COUNTY

Minutes of the **County Council Budget meeting** held on Wednesday, **April 25, 2018** at 1:40 P.M. in the County Council Chambers.

The meeting was called to Order by the Reeve, Mr. Craig Lukinuk in the presence of the following persons:

<u>Div. No.</u>	<u>Councillor(s)</u>	<u>ATTENDANCE</u> <u>Wednesday, April 25, 2018</u>
1	Dan Gawalko	Present
2	Johnny Cherniwchan	Present
3	Craig Lukinuk	Present
4	Lorne Halisky	Present
5	Randy Orichowski	Present
CAO	Cory Ollikka	Present
Asst. CAO	Lydia Cielin	Present
Finance Manager	Brenda Adamson	Present
Legislative Svcs/R.S.	Patti Priest	Present

Members of Administrative Staff in attendance:

Doug Ponich – Public Works Manager	Present
Dave Kully – Public Works Shop Foreman	Present
Bob Novosiwsky – Public Works Foreman	Present
Trevor Tychkowsky – Safety Officer	Absent
Ed English – Peace Officer/Rec. Manager	Absent
Jordan Ruegg, Planning & Dev. Manager	Absent
Tori Cherniawsky – Agricultural Fieldman	Present
Scott Franchuk – Fire Chief	Present
Dave Franchuk – Env. Operations Manager	Absent
Thomas Ponich – Asst. Nat. Gas Manager	Absent
Paul Miranda – GIS/Communication Director	Absent

No Members of the Media.
No Members of the Public.

2. Agenda:

Agenda
552-18: Halisky

That the Agenda for Wednesday, April 25, 2018 County Council Budget Meeting be adopted, as amended:

Addition:

1. Bylaw No. 1307-17: Prohibited Animals.
2. Discussion: Personnel – Culvert Program.

Carried Unanimously.

3. Minutes:

No Minutes.

Addition to the Agenda:

Bylaw No. 1307-17: Prohibited Animals

553-18: Halisky

That Smoky Lake County approve to accommodate Landowner, Bill Ewanciw with additional time, up to September 1, 2018, to euthanize or remove Prohibited Animals from the County, in reference to Bylaw No. 1307-17: Prohibited Animals adopted on October 12, 2017, extending the original deadline of April 30, 2018 as stated in the written notice dated October 25, 2017, to Mr. Ewanciw from the Agricultural Fieldman.

Carried.

Public Works Personnel

554-18: Gawalko

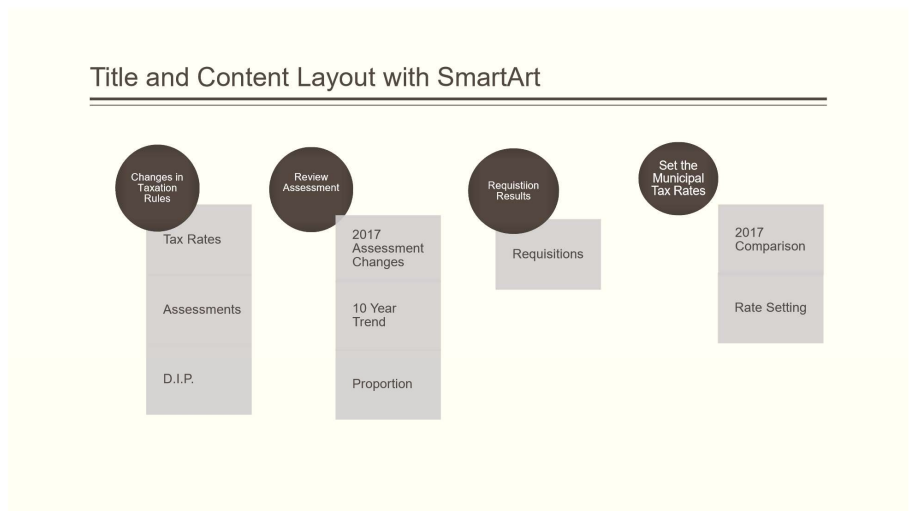
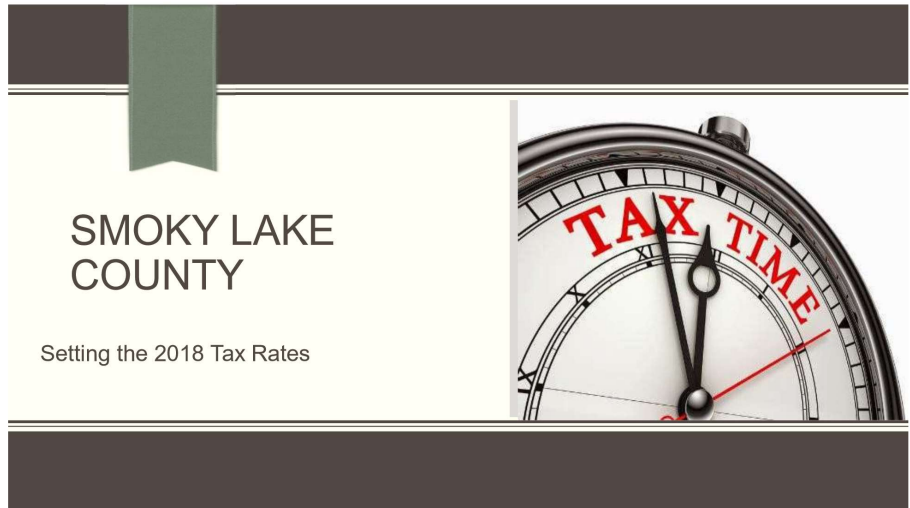
That Smoky Lake County approve a funding increase to the 2018 Budget for Public Works Salaries and Wages in the amount not to exceed **\$27,000.00**, for two additional Seasonal Personnel to fulfill the Patching Crew’s work-plan, commencing May 1, 2018 to September 30, 2018 allowing the current Culvert/Patching Crew to work exclusively on culverts to accommodate the increased service demands due to the extreme spring melt.

Carried.

4. Request For Decision:

2018 Tax Rate Bylaw

Finance Manager, Brenda Adamson, presented the following Power Point Presentation:



Tax Rates

Linked Ratio Tax Rate

The *MMGA* set a maximum property tax rate ratio of 5:1 between the highest non-residential property tax rate and the lowest residential property tax rate.

In 2017 the total municipal portion of the Non Residential Rate was 20.7644. The ratio was 3.8

Splitting Non-Residential Property Tax Rates

The *MGA* has been amended to enable splitting of the municipal non-residential class into subclasses. Regulation 202/2017 sets out strict rules.

In order to implement this, Smoky Lake County would first need to structure a Business License Program by bylaw that identifies such things as the number of employees for each business.

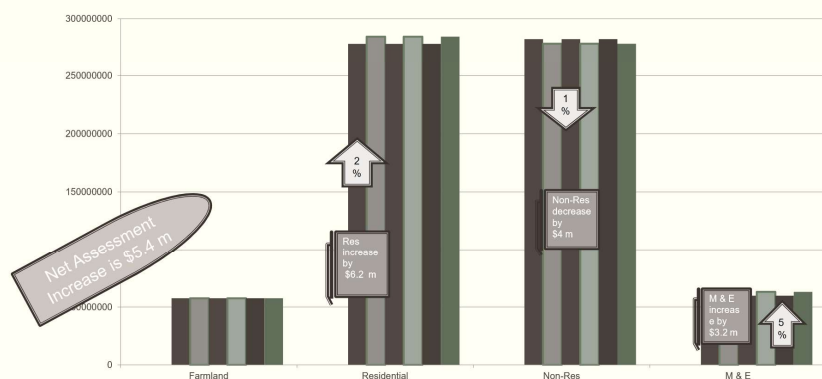
Assessment

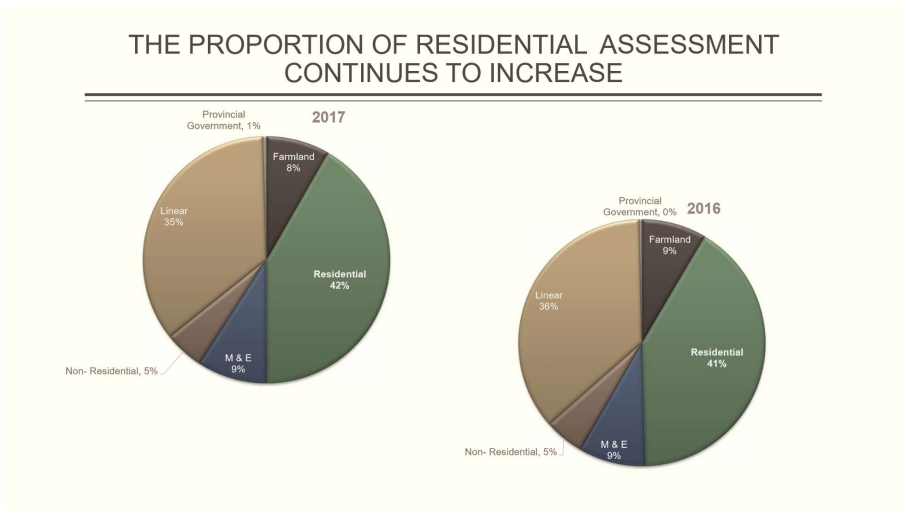
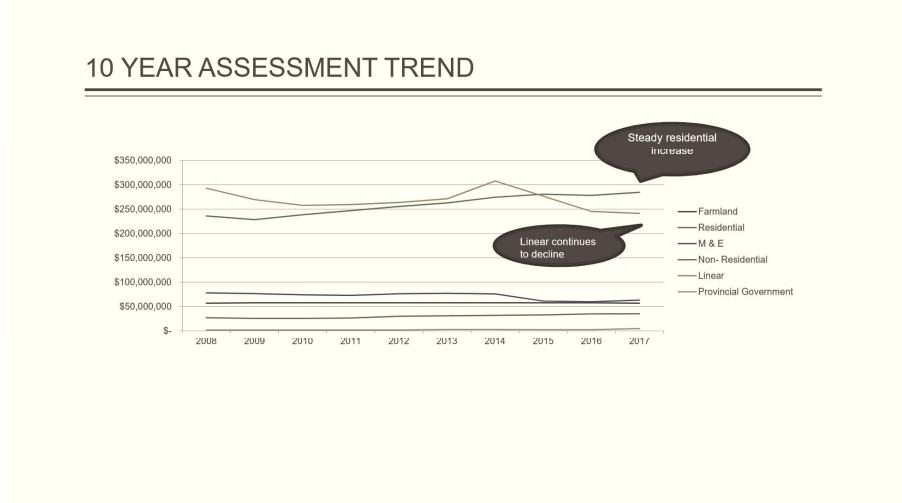
- Municipalities must include on the assessment notice, the “notice of assessment date,” the “complaint deadline,” and may remove the liability code.
- Municipalities should be prepared to provide, if asked, a certification of the mailing date.
- Municipalities should provide information on how to request a receipt for property taxes paid.
- Municipalities are required to include the designated industrial property requisition tax rate on the tax notice for designated industrial property.

Designated Industrial Property

- Municipalities are required to include the designated industrial property requisition tax rate on the tax notice for designated industrial property.
 - Smoky Lake County will collect the requisition then pay Municipal Affairs for their Assessment Services.
 - The cost for 2018 is \$10,839.66

Assessment Changes





REQUISITIONS

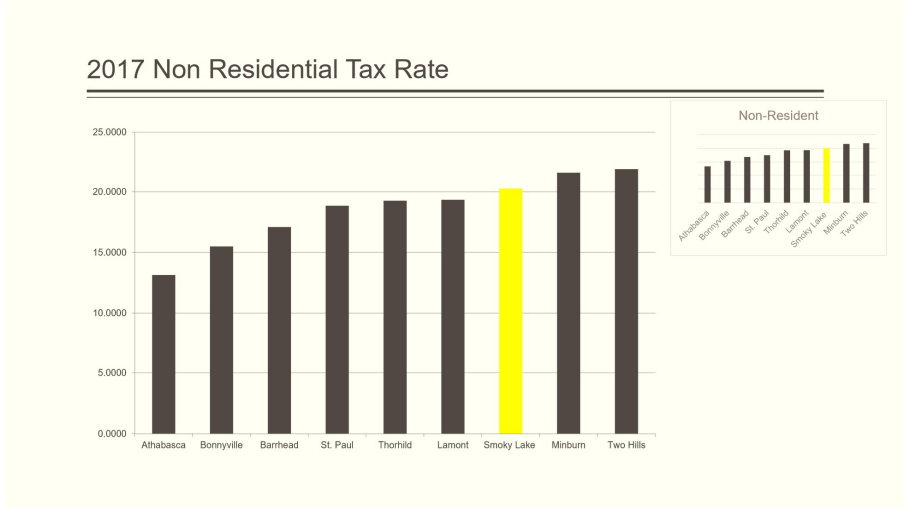
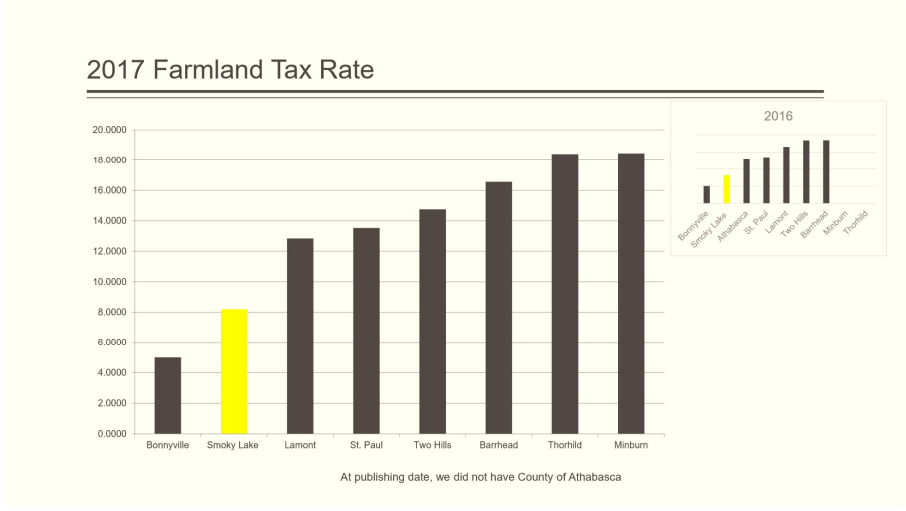
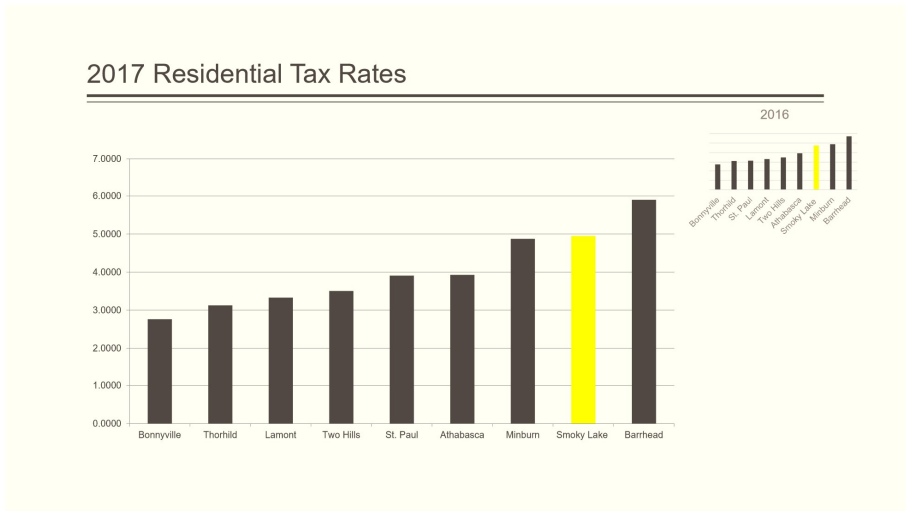
Requisition Changes

- School Requisitions have decreased by \$81,234
 - Residential Rate will be 2.5631
 - Non-Residential Rate will be 3.8186
- Foundation Requisitions have increased by \$1,103
 - 2018 Rate will be .7453
- The Province has levied a new requisition on Designated Industrial Property.
 - The 2018 Rate will be .034178

	2018	2017	Increase (Decrease)
School	\$ 1,926,718.10	\$ 2,007,952.45	-\$81,234
Foundation	\$ 506,340.00	\$ 505,237.00	\$1,103
Designated Industrial Property	\$ 10,839.66	\$ -	\$10,840

Residential Education Decrease: .0487
 Non-Residential Education decrease: .2714
 Foundation increase: .0059

SETTING THE MUNICIPAL TAX RATE



2018 Budget

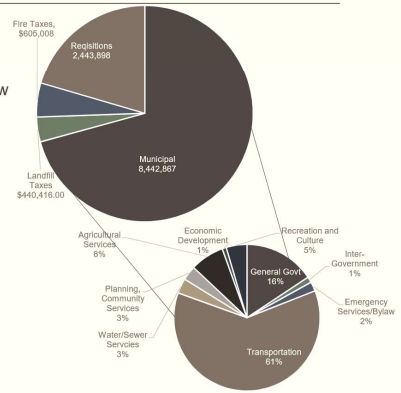
When Council passed the 2018 budget, it contained an overall 3% in tax revenue.

Once the requisitions are removed, tax revenue of \$9,488,291 is needed for Municipal, Landfill, and the new proposed Fire Services Levy.

The Landfill budget is \$440,416.

The fire departments cost \$605,008.

This leaves \$8,442,867 in municipal tax revenue to be distributed among the different classes (Farmland, Residential, and Non Residential).



Landfill Tax Rate

Council has traditionally levied a separate Landfill Rate

We have not adjusted the landfill levy to cover the entire department (reflecting the decrease in non residential assessment) for a few years)

To correct this the levy should be .6506

Revenues		\$ 57,700.00
Expenses		
Salaries, wages and benefits	\$ 239,056.00	
Contracted and general services	\$ 150,861.00	
Materials, goods and utilities	\$ 32,199.00	
Transfers to local boards and agencies	\$ 26,000.00	
		\$ 448,116.00
Deficit from Operations		-\$ 390,416.00
Capital	\$ 25,000.00	
Reserves	\$ 25,000.00	
		\$ 50,000.00
Net Deficit Excluding Amortization		-\$ 440,416.00

Fire Services Tax Rate

Council has discussed the option of pulling out the fire department costs to set a separate levy for transparency purposes.

- The Levy amount for all classes would be .8937

Revenues		\$ 142,088.00
Expenses		
Salaries, wages and benefits	\$ 205,916.00	
Contracted and general services	\$ 251,378.00	
Materials, goods and utilities	\$ 101,802.00	
		\$ 559,096.00
Deficit from Operations		-\$ 417,008.00
Net Capital	\$ 48,000.00	
Reserves	\$ 140,000.00	
		\$ 188,000.00
Net Deficit Excluding Amortization		-\$ 605,008.00

Municipal Tax Rate

The remaining \$8,442,867 will need to be raised through the municipal tax rate.

1 mill = Farmland	\$57,000
Residential	\$284,000
Non Residential	\$334,000

This can be accomplished using various methods.

- An equal increase can be applied across all classes
- A larger increase can be applied to non residential to make up for the decrease in assessment
- Or any other combination Council chooses as long as we stay in the 5:1 ratio



Patti Priest, Recording Secretary, left Council Chambers, time 3:12 p.m.

Patti Priest, Recording Secretary, entered Council Chambers, time 3:24 p.m.

555-18: Gawalko

That Smoky Lake County administration proceed with preparing a 2018 Tax Rate Bylaw and bring it forward to the next scheduled County Council Budget Meeting.

Carried.

5. Issues For Information:

No Issues for Information.

6. Correspondence:

No Correspondence.

7. Delegation:

No Delegation.

Next Meeting:

County Council Budget Meeting

556-18: Halisky

That a **County Council Budget Meeting** be scheduled for Thursday, **May 3, 2018** at 4:00 p.m. in County Council Chambers.

Carried.

Adjournment:

557-18: Lukinuk

That this meeting be adjourned, time 3:50 p.m.

Carried.

REEVE

S E A L

CHIEF ADMINISTRATIVE OFFICER