

SMOKY LAKE COUNTY

Minutes of the **County Council Budget meeting** held on Monday, **November 5, 2018** at 10:19 A.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>Monday, Nov.5, 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	Absent
Dave Kully – Public Works Shop Foreman	Present
Bob Novosiwsky – Public Works Foreman	Absent
Trevor Tychkowsky – Safety Officer	Absent
Ed English – Peace Officer/Rec. Manager	Present
Jordan Ruegg, Planning & Dev. Manager	Present
Tori Cherniawsky – Agricultural Fieldman	Present
Scott Franchuk – Fire Chief	Present
Dave Franchuk – Env. Operations Manager	Present
Daniel Moric –Natural Gas Manager	Present
Paul Miranda – GIS/Communication Director	Present

No Member(s) of the Media.

No Member(s) of the Public.

2. Agenda:

90-18: Orichowski

That the Agenda for Monday, November 5, 2018 Smoky Lake County Council Budget Meeting be adopted, as amended:

Addition to Agenda:

1. Cold Mix for Bridges.
2. Barrels of Sealant Oil for Patching.
3. Public Works Department: Remembrance Day Closure.

Carried Unanimously.

3. Minutes:

No Minutes.

4. Request For Decision:

Doctor Retention & Recruitment Budget Proposal from Town of Smoky Lake

91-18: Orichowski That Smoky Lake County approve the 2019 Doctor Retention & Recruitment Budget for recruitment related expenses to bring a new physician to the region, subject to all respective municipalities' confirmation of funding, as follows:

Smoky Lake County	61.2%	\$ 61,176.47
Town of Smoky Lake	25.9%	\$ 25,882.35
Village of Vilna	7.1%	\$ 7,058.82
<u>Village of Waskatenau</u>	<u>5.9%</u>	<u>\$ 5,882.35</u>
Total 2019 Budget	100.0%	\$100,000.00

Carried.

Five-Year Capital Budget

The Five Year Capital Budget identifies the capital projects to be budgeted for in 2019, 2020, 2021, 2022 and 2023.

The Capital budget will total \$5,150,425 in 2019.

It consists of	Bridge Repair/Maintenance	\$2,117,425
	Vehicle Replacement	226,000
	Equipment Replacement/Repair	1,471,000
	Bridge Projects	2,117,425
	Building/Structure (capital repairs)	40,000
	Gas Line Repair/Replacement	50,000
	New Project/Assets	
	Heritage Signs	15,000
	Skid for Gator	7,500
	Affracs Radio	20,000
	Fence – PW Yard	25,000
	Wobbly Packer	30,000
	Dump Trailer – (Landfill & P & R)	12,000
	Skid Sprayer	15,000
	Bear Proof Garbage Bins	6,000
	Pier	12,000
	Mons Lake Retaining Wall	20,000
	Modems for RMO Station	38,500
	RMO Station Carry Over SL	270,000
	Poished for Gas Pipe	42,000
		\$513,000
	Transfer to reserve for future	
	Admin Building (major repairs)	30,000
	Nuisance Ground Reclamation	75,000
	Warspite RV Park development	100,000
	Aerial Photos	5,000
	Fire Equipment Replacement	10,000
	Fire Truck	125,000
	Fire Equipment Storage Shop	25,000
	Air Bottle Replacement	10,000
	Public Works Vehicle Replacement	238,000
	Garbage Truck	45,000
	RMO Station Replacement	70,000
		\$733,000

Detailed Explanations for each capital item are attached.

The Capital budget will be funded by:

Using	\$ 233,000	reserves
	1,988,069	grants
	179,000	expected proceeds from asset sales
	2,750,356	property tax revenue
	5,150,425	Total

This is \$1,825,869 more than 2017 (530,000 is for bridge work if we get the STIP grant)

Meeting Recessed Meeting recessed for Lunch, time 12:01 p.m.

Meeting Reconvened The meeting reconvened on a call to order by Reeve Craig Lukinuk at 12:39 p.m. in the presence of Council members, the Chief Administrative Officer, the Assistant Chief Administrative Officer, Finance Manager, Communications/GIS Director, Public Works Manager, Public Works Shop Foreman, Officer, Peace Officer/Rec. Manager, Agricultural Fieldman, Fire Chief, Environmental Operations Manager, Natural Gas Manager and Recording Secretary.

Five-Year Capital Budget

92-18: Halisky That Smoky Lake County Council defer adopting the Five-Year Capital Budget for Year 2019-2023 capital projects to allow time to incorporate changes as discussed, this day.

Carried.

Fifteen-Year Vehicle Replacement Plan

93-18: Halisky That Smoky Lake County Council defer the 2019 15-Year Vehicle Replacement Plan until after the changes are incorporated in the Capital Plan.

Carried.

Fifteen-Year Equipment Replacement Plan

94-18: Orichowski That Smoky Lake County Council defer the 2019 15-Year Equipment Replacement Plan until after the changes are incorporated in the Capital Plan.

Carried.

Three-Year Road Plan.

The Three-Year Road Plan identifies and prioritizes the roadway improvements required.

Various types of road work affect the budget in different ways. The labour, equipment, and gravel costs are already included in the overall budget so they do not require an extra cash payout. Asphalt, oil, fibermat, and contractor costs require additional cash because they are purchases outside of the organization. For example, it costs \$20,010 per mile of road rehab and \$19,900 per mile of MG-30. The road rehab uses all our own resources, but the MG -30 requires the purchase of product for \$9,800.

The limiting factor for road rehabilitation/base stabilization is time. The length of our summer season restricts how much can be achieved.

For these reasons, the road plan needs to be a careful balance of Oil Treatment/Paving, Fibermat/Micro Surface, Rehabilitation/Base Stabilization, Construction, and Graveling.

We expect to have \$1,619,279 in MSI Capital funding available. We are proposing to use \$457,250 to the graveling program (formerly called the rural transportation portion). \$400,000 towards the purchase of the grader, and \$752,000 towards oiling and road rehab.

Because we rely so heavily on the MSI Capital and don't know if the program will be extended beyond 2019, administration is recommending that we contribute \$200,000 to reserves to start a fund for future road projects.

95-18: Gawalko That Smoky Lake County Policy Statement No. 03-18: 2019-2022 Three-Year Road Plan be deferred to the next Budget Meeting.

Carried.

Addition to the Agenda:

Public Works Department: Remembrance Day Closure

96-18: Orichowski That Smoky Lake County approve to close the Main Office located at 4612 McDougall Drive, Smoky Lake and the Public Works Shop located at 5004 50 Street, Smoky Lake, on Monday, November 12, 2018 in lieu of Remembrance Day; and employees will return to work as needed in the event of an emergency.

Carried.

Cold Mix for Bridges

97-18: Cherniwchan That Smoky Lake County defer discussion on Cold Mix for Bridges to a future County Council Meeting.

Carried.

Barrels of Sealant Oil for Patching

98-18: Gawalko That Smoky Lake County defer discussion on Barrels of Sealant Oil for Patching to a future County Council Meeting.

Carried.

5. Issues For Information:

Reserves Summary - Restricted Surplus for the Budgeted Year 2019

Reserve	Description	2017	2018		2019			
		2017 Reserve Balance	Budgeted Transfers Out	Budgeted Transfers In	2018 Reserve Balance	Budgeted Transfers Out	Budgeted Transfers In	2019 Reserve Balance
OPERATING RESERVES								
General	1-4-790-00-01	\$1,934,475.34			\$2,182,154.83			\$2,165,154.83
	Other	-\$500,000.00						
	Allowance projects	\$188,250.00						
	2017 projects surplus	\$598,733.49	-\$374,308			-\$17,000		
	PW equipment postponed	\$94,500.00						
	Heritage signs	\$800,000.00	-\$800,000					
	retirement payout photos	\$32,330.00						
	bylaw camera	\$10,174.00						
	Hiway signs	\$20,000.00		\$5,000				
	bridge work carried over	\$10,000.00						
		\$-00						
		\$250,000						
Municipal Reserve		\$36,292			\$36,292			\$36,292
RCDC 1-4-775		\$112,437	-\$50,000		\$62,437			\$62,437
CAPITAL RESERVES								
Building 2-4-765		\$118,374.00		\$50,000	\$168,374.00	\$30,000		\$198,374.00
Future Expenditures 2-4-774		\$2,442,118			\$2,617,118			\$2,797,118
	Nuisance Ground			\$75,000		\$75,000		
	Warspite RV Park			\$100,000		\$100,000		
	Photos					\$5,000		
Fire 2-4-761-23		\$748,846.72			\$968,846.72			\$1,128,846.72
	Fire Truck Reserve			\$100,000		\$125,000		
	Equipment	\$55,000		\$15,000		\$10,000		
	Equip Storage Reserve	\$25,000		\$25,000		\$25,000		
Regional Landfill (2-4-773-43)		\$433,935.67		\$25,000	\$458,935.67	\$45,000		\$503,935.67
	garbage truck							
	2016 Capital							
Transportation 2-4-766-32		\$601,576.76			\$801,576.76			\$1,239,576.76
	Vehicle					\$238,000		
	Road			\$200,000		\$200,000		
	Grader							
Agriculture					\$-00			\$-00
	Vehicle							
	Equipment							
	Grader							
Road Development 2-4-762-32		\$909,111.34		\$200,000	\$1,109,111.34	\$204,000		\$1,313,111.34
	Annual Aggregate Levy							
	Gravel Aggregate Tax Project							
Gravel Pit Reclamation 2-4-767-32		\$424,483.12			\$437,483.12	\$13,000		\$450,483.12
	Sale of Gravel			\$13,000		\$13,000		
Gravel Pit Development 2-4-768-32		\$42,262.44		\$14,270	\$56,532.44		\$14,815	\$71,347.44
	Sale of Gravel							
Connectivity 2-4-769-32		\$70,271.35	-\$120,000	\$76,000	\$26,271.35	\$76,000		\$102,271.35
	sale of towers							
Street Sweeper 2-4-770-32		\$30,926			\$30,926			\$30,926
	Transfer surplus from rental							
Water 2-4-772		\$258,818	-\$115,000		\$143,818			\$143,818
	capital charge							
General Gas Reserve		\$1,419,528	-\$342,000	\$216,000	\$1,403,528	-\$216,000	\$50,000	\$1,307,528
	rmo station						\$70,000	
				\$110,000				
		\$11,167,442.49	-\$1,888,308	\$1,224,270.00	\$10,503,404.49	-\$233,000	\$1,280,815.00	\$11,551,219.49

Reserve	Description	2020			2021		
		Budgeted Transfers Out	Budgeted Transfers In	2019 Reserve Balance	Budgeted Transfers Out	Budgeted Transfers In	2019 Reserve Balance
OPERATING RESERVES							
General	1-4-790-00-01			\$2,165,154.83			\$2,170,154.83
	Other						
	Allowance projects						
	2017 projects surplus						
	PW equipment postponed						
	Heritage signs						
	retirement payout						
	photos					\$5,000	
	bylaw camera						
	Hiway signs						
	bridge work carried over						
Municipal Reserve				\$36,292			\$36,292
RCDC 1-4-775				\$62,437			\$62,437
CAPITAL RESERVES							
Building 2-4-765			\$50,000	\$248,374.00		\$50,000	\$298,374.00
Future Expenditures 2-4-774				\$2,677,118			\$2,752,118
	Nuisance Ground		\$75,000			\$75,000	
	Warspite RV Park	-\$200,000					
	Photos		\$5,000				
Fire 2-4-761-23				\$1,248,846.72			\$1,163,846.72
	Fire Truck Reserve		\$125,000		-\$255,000.00	\$125,000	
	Equipment	-\$40,000	\$10,000			\$20,000	
	Equip Storage Reserve		\$25,000			\$25,000	
Regional Landfill (2-4-773-43)				\$548,935.67			\$298,935.67
	garbage truck		\$45,000		-\$250,000		
	2016 Capital						
Transportation 2-4-766-32				\$1,191,576.76			\$1,345,576.76
	Vehicle	-\$48,000.00					
	Road					\$154,000	
	Grader						
Agriculture				\$35,000.00			\$134,000.00
	Vehicle		\$35,000			\$35,000	
	Equipment					\$64,000	
	Grader						
Road Development 2-4-762-32				\$1,521,191.34			\$1,733,433.34
	Annual Aggregate Levy		\$208,080			\$212,242	
	Gravel Aggregate Tax Project						
Gravel Pit Reclamation 2-4-767-32				\$463,483.12			\$476,483.12
	Sale of Gravel		\$13,000			\$13,000	
Gravel Pit Development 2-4-768-32				\$86,718.44			\$102,656.44
	Sale of Gravel		\$15,371			\$15,938	
Connectivity 2-4-769-32				\$178,271.35			\$254,271.35
	sale of towers		\$76,000			\$76,000	
Street Sweeper 2-4-770-32				\$30,926			\$30,926
	Transfer surplus from rental						
Water 2-4-772				\$143,818			\$143,818
	capital charge						
General Gas Reserve				\$1,287,528			\$1,407,528
	rmo station	-\$70,000	\$50,000			\$50,000	
						\$70,000	
		-\$358,000	\$732,451.00	\$11,925,670.49	-\$505,000	\$990,180.00	\$12,410,850.49

Reserve	Description	2022			2023		
		Budgeted Transfers Out	Budgeted Transfers In	2019 Reserve Balance	Budgeted Transfers Out	Budgeted Transfers In	2019 Reserve Balance
OPERATING RESERVES							
General	1-4-790-00-01			\$2,175,154.83			\$2,180,154.83
	Other						
	Allowance projects						
	2017 projects surplus						
	PW equipment postponed						
	Heritage signs						
	retirement payout						
	photos		\$5,000			\$5,000	
	bylaw camera						
	Hiway signs						
	bridge work carried over						
Municipal Reserve				\$36,292			\$36,292
RCDC 1-4-775				\$62,437			\$62,437
CAPITAL RESERVES							
Building 2-4-765			\$50,000	\$348,374.00		\$50,000	\$398,374.00
Future Expenditures 2-4-774				\$2,827,118			\$2,902,118
	Nuisance Ground		\$75,000			\$75,000	
	Warspite RV Park						
	Photos						
Fire 2-4-761-23				\$923,846.72			\$813,846.72
	Fire Truck Reserve		\$125,000		-\$200,000.00	\$125,000	
	Equipment	-\$400,000	\$10,000		-\$70,000	\$10,000	
	Equip Storage Reserve		\$25,000			\$25,000	
Regional Landfill (2-4-773-43)				\$343,935.67			\$388,935.67
	garbage truck		\$45,000			\$45,000	
	2016 Capital						
Transportation 2-4-766-32				\$1,538,576.76			\$1,300,576.76
	Vehicle		\$193,000				
	Road				-\$238,000.00		
	Grader						
Agriculture				\$233,000.00			\$180,000.00
	Vehicle		\$35,000			\$35,000	
	Equipment		\$64,000		-\$88,000.00		
	Grader						
Road Development 2-4-762-32				\$1,949,920.34			\$2,166,407.34
	Annual Aggregate Levy		\$216,487			\$216,487	
	Gravel Aggregate Tax Project						
Gravel Pit Reclamation 2-4-767-32				\$489,483.12			\$502,483.12
	Sale of Gravel		\$13,000			\$13,000	
Gravel Pit Development 2-4-768-32				\$119,173.44			\$135,690.44
	Sale of Gravel		\$16,517			\$16,517	
Connectivity 2-4-769-32				\$330,271.35			\$406,271.35
	sale of towers		\$76,000			\$76,000	
Street Sweeper 2-4-770-32				\$30,926			\$30,926
	Transfer surplus from rental						
Water 2-4-772				\$143,818			\$143,818
	capital charge						
General Gas Reserve				\$1,387,528			\$1,507,528
	rmo station	-\$70,000	\$50,000			\$50,000	
						\$70,000	
		-\$470,000	\$999,004.00	\$12,939,854.49	-\$596,000	\$812,004.00	\$13,155,858.49

99-18: Halisky That Smoky Lake County accept the report in regard to the Reserves Summary - Restricted Surplus for the Budgeted Year 2019, as presented by the Finance Manager, and file for information.

Carried.

6. Correspondence:

No Correspondence.

7. Delegation:

No Delegation.

Next Meeting

100-18: Halisky That the next Smoky Lake **County Council Budget Meeting** be scheduled for Friday, **December 14, 2018** at 9:00 a.m., to be held in the County Council Chambers.

Carried.

Adjournment:

101-18: Lukinuk That this meeting be adjourned, time 2:39 p.m.

Carried.

REEVE

S E A L

CHIEF ADMINISTRATIVE OFFICER