

**SMOKY LAKE COUNTY**

Minutes of the **County Council Budget meeting** held on Friday, **December 14, 2018** at 9:06 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>Friday, Dec.14, 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

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Members of Administrative Staff in attendance:

Doug Ponich – Public Works Manager	Present
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

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No Member(s) of the Media.

No Member(s) of the Public.

**2. Agenda:**

250-18: Orichowski

That the Agenda for Friday, December 14, 2018 Smoky Lake County Council Budget Meeting be adopted, as presented.

Carried Unanimously.

**3. Minutes:**

No Minutes.

**4. Request For Decision:**

**2019 Total Function Budget**

Following Council expectation to increase tax revenue only by 1.5% as well as the requirements to fulfill the strategic plan, the projected deficit at this current planning process is \$1.482 million

Smoky Lake County is required by legislation to create a balanced budget. In order to do so, we will need to increase total tax revenue by 13.7%. In the 2017-2019 financial plan, it was forecasted that we would need to increase taxes by 17% in 2019. Through careful budget review and evaluating needs for capital, administration has been able to reduce the required increase to 13.7%. Please note that an increase in total tax revenue does not necessarily equal an increase of 13.7% to the ratepayers. It will be dependent on the final assessment (expected March).

Operating costs have been held to an increase of 2%. This is lower than inflation. It is the need to invest in infrastructure and equipment replacement that results in the need for more revenue. The capital budget includes projects identified as important by Council through the strategic plan as well as required equipment replacement. We recognize that a 13.7% increase in taxes is not a realistic alternative and review the budget again.

**Smoky Lake County  
Notes to the 2019 Passed Budget**

- 1) Taxes**  
Based on Council discussions September 26, 2018 estimated increase in taxes has been set to 1.5%  
1% Increase results in approximately \$120,000 in revenue  
1% increase for residential taxes = .04 increase in tax rate and .111 in farmland tax rate
- 2) Investment Income**  
Interest is earned on funds in ATE as well as the shareholders loan to CCI. In 2017 CCI began paying the interest owed. Council made motion 1109-17 to transfer the income from CCI to a connectivity reserve. In 2018 the Federal Rate slowly began increasing and administration is managing cash flow to maximize interest revenue. This will provide us with over \$80,000 in additional revenue
- 3) Development Levies**  
Development Levies peaked in 2015 with several gravel pits. Since then the amount of development has been declining. The 2019 budgeted revenue has been decreased to reflect this trend
- 4) License and Permits**  
This is the revenue for building codes inspections. The budget has been increased slightly to reflect the average for the past 5 years.
- 5) Provincial Conditional - Operating**  
In 2018, additional operating grants were budgeted for the RCDC Cares programs. There is no expectation to receive additional grants in 2019
- 6) Transfer from Operating Reserves**  
In 2017 there was a surplus of \$800,000 which council chose to transfer to be used towards the 2018 operating budget. Right now, we are estimating a surplus in 2018 of \$500,000. Our recommendation is to transfer it to reserve and use as revenue in 2019
- 7) Salaries, Wages, and Benefits**  
The Cost of Living increase for IOE 955 / Allowance budgeted for 2019 1.5%.  
The budget includes incremental increases as per agreements as well as the following adjustments  
  - Planning  
The Planning Clerk Position was expected to hire in the last half of 2018. The position will be budgeted for the entire year of 2019
  - Administration  
Communications technician was on maternity leave for a portion of 2018. The budget will include her salary for the entire year in 2019
  - GIS  
Budget for 1 GIS summer student (if we secure a Canada Summer Jobs to help offset wage)
  - Public Works  
Add some funds to cover casual position when the scale shack is short staffed
  - ASB  
Add third weed inspector for summer as per Council direction
  - Landfill  
Funds are reallocated from Public Works to Landfill to more accurately reflect the Garbage Truck Driver time
- 7) Benefits**  
Although there will be a decrease in LAPP contribution requirements, there will be an increase in CPP contribution requirements offsetting any possible savings
- 8) Mileage, Meals and Lodging, and Membership Fees**  
These costs will increase as the need for Council and staff to attend more meetings etc. have increased due to the required intermunicipal work and agreements and training. Costs of hotels have increased substantially. As well, additional funds will be needed to travel to Quebec for the research required under the Strategic Plan Historical District Economical Development Plan
- 9) Freight, Express, Postage/ Telephone, Communication/ Training**  
Management has carefully reviewed the expenses in these categories to see where savings can be found. As a result we have cut \$28,000 from the budget.
- 10) Advertising**  
Advertising has increased because the size of the grapevine has increased per Council request
- 11) Auditing/ Legal/Assessor/Engineering Fees**  
Professional fees have been increased to reflect inflation
- 12) Consulting**  
Consulting fees increase is a result of several projects planned for 2019:

Industrial Park (as per Strategic Plan)	\$ 50,000.00
RV Park (as per Strategic Plan)	\$ 70,000.00
Mons Lake Retaining Wall Surveys etc.	\$ 10,000.00
IDP/ICF	\$ 37,500.00
- 13) Computer - Software and hardware**  
This includes all the computer licensing, purchases, toner and office equipment repairs and maintenance. It will decrease substantially because the upgrade costs for the financial systems are finished. As well we have fewer replacements needed for 2019
- 14) Misc Services**  
Misc Services includes Equipment/Building Rentals, All repairs and maintenance (equipment/building/vehicle), license and permits, etc. These costs have been increased by inflation along with \$65,000 to rent a loader as per council direction, and \$20,000 to repair the fire truck pump
- 15) Office/Food/Janitor Supplies**  
Management has reviewed these costs and has committed to decreasing these costs across all departments
- 16) Fuel**  
We are estimating fuel costs to increase on average 3%. This is largely dependant on gas and diesel prices.
- 17) Gravel**  
Increase in gravel costs is a result of the increased crushing contract.
- 18) Chemicals**  
Increase in chemical costs is a result of Council decision to increase spraying program
- 19) Utilities**  
Utilities have increased a small amount to reflect some inflation
- 20) Employee Recognition**  
There is a slight increase because more long term employment awards are expected. This is partially offset by a refund from WCB included in sales.

**21) Other General Supplies**

This is where the cost of water is coded. As sales volumes have increased, we have increased the volumes purchased. This is why the budget has increased in 2019

**22) Transfers to local boards and agencies**

Transfers to Local Boards is higher in 2019 . This budget proposes to provide \$9,000 to the heritage board for operations and projects.

As well, the reallocation of the Family School Liaison Program to Aspen View has taken place. The costs have been removed from their original line item and coded here. This has not resulted in any overall increase in the budget.

**23) Transfer to Reserves From Operations**

	2019	2018
Aggregate Business Tax	\$ 200,000	\$ 200,000
Retirement payout		\$ 5,000
Connectivity	\$ 54,469	\$ 76,000
Gravel Royalties	<u>\$ 27,270</u>	<u>\$ 27,270</u>
	<u>\$ 281,739</u>	<u>\$ 308,270</u>

**24) Contingency**

The contingency for 2018 was \$147,048 . Thus far no contingency is budgeted

**25) Sale of Capital Assets**

	2019	2018
Public Works Equipment	\$ 125,000	\$ 125,000
Protective Services Equip		\$ 5,000
	<u>\$ 125,000</u>	<u>\$ 130,000</u>

**26) Provincial Capital Grants**

	2019	2018
MSI Capital	\$ 1,152,000	\$ 964,000
Rural Transportation Grant	\$ 457,250	\$ 457,250
STIP Bridge Program	\$ 1,712,944	\$ 344,063
Federal Gas Tax Grant	\$ 130,000	\$ 130,000
FCM Grant		\$ 41,500
	<u>\$ 3,452,194</u>	<u>\$ 1,936,813</u>

**27) Transfers from Capital Reserves**

	2019	2018
Previous years projects	\$ -	\$ 227,000
Previous years Road surplus	\$ -	\$ 334,308
Planned transfers	<u>\$ 37,000</u>	<u>\$ 132,982</u>
	<u>\$ 37,000</u>	<u>\$ 696,308</u>

**28) Transfers to Reserves**

	2019	2018
5 Year Capital Plan	\$ 653,000	\$ 390,000
Road Plan	<u>\$ 200,000</u>	<u>\$ 200,000</u>
	<u>\$ 853,000</u>	<u>\$ 590,000</u>

**29) Capital and Road Plan**

The capital and road plan budgets are provided in detail through Requests for Decisions

**30) Department Information**

Detailed Department information is attached as 4.1(b)

**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.

251-18: Halisky

That Smoky Lake County Policy Statement No. 03-18-14: 2019-2021 Three-Year Road Plan be amended:

<b>Title:</b> Three-Year Road Plan	<b>Policy No.:</b> 18-14
<b>Section:</b> 03	<b>Code:</b> P-1
	<b>Page No.:</b> 1 of E

<b>Legislation Reference:</b>	Municipal Government Act.
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<b>Purpose:</b>	The intent of the three-year road plans is to identify and prioritize required roadway improvements on a long-term basis.
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<b>Policy Statement and Guidelines:</b>	
<b>GUIDELINES</b>	
<ol style="list-style-type: none"> <li>The three-year road plan conforms with the objectives and criteria outlined, as per Policy 03-15: Road Policy and Policy 03M-04: Road Project Profile.</li> <li>The plan is limited to the identification of specific annual projects for a future period of three-years based on anticipated revenue and/or other budget and capacity limitation.</li> <li>The three-year plan are subject to an annual review and update.</li> </ol>	
<b>ROAD PLANS: REVIEW AND UPDATE PROCESS</b>	
<ol style="list-style-type: none"> <li>The Three-Year Road Plan will be reviewed, updated and accepted by Council as per Policy 08-11: Budget Development process during October and November of each year.</li> <li>The review process will include past year's projects.</li> <li>The development and approval of a "new" Three-Year Plan will primarily include: <ul style="list-style-type: none"> <li>uncompleted projects from the previous year, plus projects previously identified in plan.</li> <li>projects for coming year (previously identified in the plan).</li> <li>plus new proposed projects for third year.</li> </ul> </li> <li>The planned order of year-one construction projects will be determined every year with the setting of the Transportation Budget: Three-Year Road Plan, as per Policy 03-15: Road Policy.</li> <li>Once the annual plan and construction schedule have been approved, additions or deletions of specific projects require approval by resolution of Council. Normally, changes to the above should be considered on the basis of persistent weather problems, major equipment problems or financial considerations only. Progress on the planned order of construction will be reported to Council by Public Works monthly.</li> </ol>	



**2018 Road Projects**

OIL TREATMENT / PAVING							
Project Name	Code	# Days	Length	Res #'s	Estimate Costs	Actual Cost	Funding
Twp 584 between Hwy 855- RR 175	P1713	2	1.0 miles		\$ 155,000.00	126,783.00	MS/MO
							MS/MO
							MS/MO
<b>Total</b>					<b>\$ 155,000.00</b>	<b>\$ 126,783.00</b>	

FIBERMAT / MICRO SURFACE							
Project Name	Code	# Days	Length	Res #'s	Estimate Costs	Actual Cost	Funding
RR 164 between Twp 602- Twp 603	FM1814	2	1.0 miles		\$ 140,204.00	54,784.02	MS/MO
RR 162 between Hwy 28- Twp 395	FM1914	3	1.5 miles		\$ 98,406.00	49,793.34	MS/MO
Twp 604 between RR 192A- RR 184	FM1835	4	4.5 miles		\$ 353,754.00	365,432.59	MS/MO
							MS/MO
							MS/MO
<b>Total</b>					<b>\$ 592,364.00</b>	<b>\$ 470,009.95</b>	

REHABILITATION / BASE STABILIZATION							
Project Name	Code	# Days	Length	Res #'s	Estimate Costs	Actual Cost	Funding
RR 141 between Twp 600- Twp 601	R1611	1.5	1.0 miles	Res: 165-17	\$ 22,500.00	19,837.32	Carry over from 2017
RR 164 between Twp 602A- Twp 603	R1814	2	0.5 miles		\$ 15,000.00	8,044.91	MS/MO
RR 133 between Twp 620- Twp 621	MG1821	2	1.0 miles		\$ 20,000.00	14,939.88	MS/MO
RR 144 between Twp 585- Hwy 652	MG1812	10	5.0 miles		\$ 125,000.00	96,505.18	MS/MO
RR 152 between Twp 584- Twp 584A	MG1922	1	0.5 miles		\$ 15,000.00	9,479.57	MS/MO
RR 173 between Twp 584- Twp 583A	MG1813	1	0.5 miles		\$ 10,000.00	7,462.41	MS/MO
RR 170 between Twp 592A- Twp 590	MG1823	4	2.5 miles		\$ 53,000.00	32,464.73	MS/MO
							MS/MO
<b>Total</b>					<b>\$ 260,500.00</b>	<b>\$ 178,734.00</b>	

CONSTRUCTION							
Project Name	Code	# Days	Length		Estimate Costs	Actual Cost	Funding
							MS/MO
<b>Total</b>					<b>\$</b>	<b>\$</b>	

CONTRIBUTION TO CAPITAL RESERVE			
		Estimate Costs	Funding
Transfer for Future Road Projects		\$ 200,000.00	MO

GRAVELLING							
Miles per Division	Code	Recommended miles	Recommended Gravel	Estimate Costs	Actual Gravel	Actual Cost	Funding
144.0	PW45	39.5	6,642.5	\$ 139,492.50	6,757.50	\$ 141,907.50	RTG
218.5	PW46	77.5	12,694.5	\$ 291,973.50	11,027.60	\$ 253,634.80	RTG
159.5	PW47	36.0	5,817.5	\$ 81,445.00	5,457.70	\$ 76,407.80	RTG
167.0	PW48	44.0	7,034.5	\$ 105,317.50	7,218.34	\$ 108,275.10	RTG
219.0	PW49	56.0	8,922.0	\$ 133,830.00	8,824.88	\$ 132,373.20	RTG
<b>908.0 miles</b>		<b>253.0 miles</b>	<b>41,111.0</b>	<b>\$ 752,258.50</b>	<b>39,286.02</b>	<b>\$ 712,598.40</b>	
Contingency:			5,000.0	\$ 90,000.00	5,108.14	\$ 91,946.52	
<b>Total</b>			<b>46,111.0</b>	<b>\$ 842,258.50</b>	<b>44,394.16</b>	<b>\$ 804,544.92</b>	
Road Repair PW90:					15,658.36	\$ 293,594.25	Unbudgeted. Cost of gravel only.



**2019 Road Projects Information**

**Calculation of 2019 year: Project(s) Workdays:**

Project days: May to Mid October 2018

5.5 months x 20 days = 110 days

Less 20 days: weather

and 20 days: moves/breakdowns, dust controls/road repairs

Equals 70 days

**Maintenance Gravel:**

44,015.5 tonnes to be distributed among all divisions

5,000.0 tonnes: Contingency Gravel

**Grants Available for 2019:**

❖	Base Municipal Transportation Grant	=	\$ 457,250.00
❖	Municipal Sustainability Initiative	=	\$ 964,000.00
❖	Federal Gas Tax	=	\$ 130,000.00

**2019 Graveling Projects Information**

Road Categories	Description	Code	Rate of material/mile Tonne - Yards	# of Year's
Exceptional	Extreme traffic and Heavy loads	Exc	187 - 150	annual
Category # 1	Paved, oiled and base stabilized roads	C1	---	--
Category # 2	High usage arterial and feeder gravel roads	C2	187 - 150	2
Category # 3	Moderate usage collector gravel roads with through traffic and serving several residents	C3	156 - 125	3
Category # 4	Little used and dead end roads	C4	125 - 100	4

**Graveling - Smoky Lake County**

Miles per Category	Code	Recommended Miles	Recommended Gravel	Estimate Costs	Actual Cost
19.0	Exc	11.5	2,150.5	44,319.00	
107.0	C1				
153.5	C2	61.0	11,407.0	221,969.00	
500.5	C3	168.0	26,208.0	451,152.00	
128.0	C4	34.0	4,250.0	79,312.50	
<b>Total miles = 908</b>	<b>Total</b>	<b>274.50</b>	<b>44,015.5</b>	<b>\$ 796,752.50</b>	

Three-Year Road Plan: Year 2018-2021



**2019 Road Projects**

OIL TREATMENT / PAVING							
Project Name	Code	# Days	Length	Res #'s	Estimate Costs	Actual Cost	Funding
RR 152 between Twp 584- Twp 584A	P1912	1	0.5 miles		\$ 65,000.00		MSI/MO
Twp 594 between RR 174- RR 174A	P1814	1	0.5 miles		\$ 65,000.00		MSI/MO
Twp 594 between RR 174A- RR 175	P1815	1	0.5 miles		\$ 65,000.00		MSI/MO
Victoria Trail E of RR 172	P1913	1.5	0.56 miles		\$ 60,000.00		MSI/MO
Bridge Coldmix Surfacing - 10 Bridges	BCM19				\$ 17,895.00		MO
		<b>4.5</b>			<b>Total \$ 272,895.00</b>	<b>\$</b>	

FIBERMAT / MICRO SURFACE							
Project Name	Code	# Days	Length	Res #'s	Estimate Costs	Actual Cost	Funding
							MSI/MO
					<b>Total \$</b>	<b>\$</b>	

REHABILITATION / BASE STABILIZATION							
Project Name	Code	# Days	Length	Res #'s	Estimate Costs	Actual Cost	Funding
RR 130 between Twp 603- Twp 611A	MG1911	6.5	4.25 miles		\$ 127,500.00		MSI/MO
RR 144 between Twp 585- Hwy 652	MG1912	5	5.0 miles		\$ 75,000.00		MSI/MO
Twp 600 between RR 152- RR 151	MG1924	2	1.0 miles		\$ 25,000.00		MSI/MO
Twp 612 between RR 174- RR 174A	MG1814	1	0.5 miles		\$ 12,500.00		MSI/MO
RR 152 between Twp 601A- Twp 603A	MG1914	3	2.0 miles		\$ 44,000.00		MSI/MO
Twp 594 between RR 175- RR 180	MG1915	2	1.0 miles		\$ 25,000.00		MSI/MO
Twp 612 between RR 174A- RR 180	MG1835	2	1.5 miles		\$ 39,000.00		MSI/MO
RR 180 between Twp 612A- Twp 614	MG1845	3	1.5 miles		\$ 39,000.00		MSI/MO
RR 164 between Hwy 28- Twp 584	MG1723	8.5	5.5 miles		\$ 123,750.00		MSI/MO
RR 135 between Twp 594- Twp 602	MG2011	6.5	4.0 miles		\$ 88,000.00		MSI/MO
Twp 602 between Hwy 831- RR 195	MG1925	2	1.0 miles		\$ 15,000.00		MSI/MO
Cemeteries MG30 (22 locations)	MGCEM19	4			\$ 39,350.00		MSI/MO
		<b>45.5</b>			<b>Total \$ 641,100.00</b>	<b>\$</b>	

CONSTRUCTION							
Project Name	Code	# Days	Length	Res #'s	Estimate Costs	Actual Cost	Funding
RR 175 between Twp 595- Twp 595A	C1915	6	0.25 miles		\$ 40,000.00		MSI/MO
Twp 584 between RR 151- RR 151A	C1912	4	0.25 miles		\$ 25,000.00		MSI/MO
		<b>10</b>			<b>Total \$ 65,000.00</b>	<b>\$</b>	

CONTRIBUTION TO CAPITAL RESERVE			
	Estimate Costs		Funding
Transfer for Future Road Projects	\$ 182,105.00		MO

GRAVELLING							
Miles per Division	Code	Recommended miles	Recommended Gravel	Estimate Costs	Actual Gravel	Actual Cost	Funding
144.0	PW45	44	7,391.0	\$ 155,211.00			RTG
218.5	PW46	76.5	12,368.0	\$ 284,464.00			RTG
159.5	PW47	43	6,770.0	\$ 94,780.00			RTG
167.0	PW48	51	8,002.5	\$ 120,037.50			RTG
219.0	PW49	60	9,484.0	\$ 142,260.00			RTG
<b>908.0 miles</b>		<b>274.5 miles</b>	<b>44,015.0</b>	<b>\$ 796,752.50</b>			
Contingency:			5,000.0	\$ 90,000.00			
<b>Total</b>			<b>49,015.0</b>	<b>\$ 886,752.50</b>			
Road Repair PW90:							Unbudgeted- Cost of gravel only

Three-Year Road Plan: Year 2018-2021



**2020 Road Projects**

OIL TREATMENT / PAVING							
Project Name	Code	# Days	Length	Res #s	Estimate Costs	Actual Cost	Funding
Twp 594 between RR 175- RR 180	P1915	2	1.0 miles		\$ 135,000.00		MSLMO
				<b>2</b>	<b>Total</b>	<b>\$ 135,000.00</b>	<b>\$</b>

FIBERMAT / MICRO SURFACE							
Project Name	Code	# Days	Length	Res #s	Estimate Costs	Actual Cost	Funding
Twp 612 between Hwy 855- RR 174	FM2014	1	1.0 miles		\$ 70,080.00		MSLMO
				<b>1</b>	<b>Total</b>	<b>\$ 70,080.00</b>	<b>\$</b>

REHABILITATION / BASE STABILIZATION							
Project Name	Code	# Days	Length	Res #s	Estimate Costs	Actual Cost	Funding
RR 124 between Twp 601- Twp 603A	MG2031	4	2.5 miles		\$ 65,000.00		MSLMO
Twp 602 between RR 135- RR 133	MG2041	1.5	2.0 miles		\$ 50,000.00		MSLMO
Twp 595A between RR 171- Hwy 28	MG2014	3.5	2.25 miles		\$ 56,000.00		MSLMO
RR 180 between Twp 594- Hwy 28	MG1735	2.5	1.5 miles		\$ 37,200.00		MSLMO
Twp 590 between RR 174(n)- RR180(s)	MG2013	2.0	1.25 miles		\$ 28,750.00		MSLMO
Twp 602 between Hwy 855- RR 172	MG2024	2.0	1.0 miles		\$ 20,000.00		MSLMO
Twp 604 between RR 181- RR 182	MG2015	4.0	1.0 miles		\$ 35,000.00		MSLMO
				<b>19.5</b>	<b>Total</b>	<b>\$ 291,950.00</b>	<b>\$</b>

CONSTRUCTION							
Project Name	Code	# Days	Length	Res #s	Estimate Costs	Actual Cost	Funding
RR 171 between Twp 590- Twp 592	C1913	27	2.0 miles		\$ 280,000.00		MSLMO
RR 145 between Twp 590- Twp 591	C2012	14	1.0 miles		\$ 140,000.00		MSLMO
Twp 590 between RR 154- RR 154A	C2022	4	0.25 miles		\$ 15,000.00		MSLMO
				<b>45</b>	<b>Total</b>	<b>\$ 435,000.00</b>	<b>\$</b>

CONTRIBUTION TO CAPITAL RESERVE				Estimate Costs	Funding
Transfer for Future Road Projects				\$ 200,000.00	MO

GRAVELLING							
Miles per Division	Code	Recommended miles	Recommended Gravel	Estimate Costs	Actual Gravel	Actual Cost	Funding
144.0	PW45	38.5	6,673.5	\$ 140,143.50			RTG
218.5	PW46	85.5	13,085.0	\$ 300,955.00			RTG
159.5	PW47	41.5	6,675.5	\$ 93,457.00			RTG
167.0	PW48	49.5	7,985.5	\$ 119,782.50			RTG
219.0	PW49	70.0	11,168.0	\$ 167,520.00			RTG
<b>908.0 miles</b>		<b>286.0 miles</b>	<b>45,587.5</b>	<b>\$ 821,858.00</b>			
Contingency:			5,000.0	\$ 90,000.00			
<b>Total</b>			<b>50,587.5</b>	<b>\$ 911,858.00</b>			
Road Repair PW90:							Unbudgeted Cost of gravel only

Three-Year Road Plan: Year 2018-2021



**2021 Road Projects**

OIL TREATMENT / PAVING							
Project Name	Code	# Days	Length	Res #s	Estimate Costs	Actual Cost	Funding
Twp 590 between RR 174(n)- RR 180(s)	P1813	2	1.25 miles		\$ 150,000.00		MSLMO
RR 130 between Twp 603- Twp 604	P2111	2	1.0 miles		\$ 130,000.00		MSLMO
				<b>4</b>	<b>Total</b>	<b>\$ 280,000.00</b>	<b>\$</b>

FIBERMAT / MICRO SURFACE							
Project Name	Code	# Days	Length	Res #s	Estimate Costs	Actual Cost	Funding
RR 170 between Twp 595A- Twp 601	FM2114	3	1.5 miles		\$ 106,000.00		MSLMO
				<b>3</b>	<b>Total</b>	<b>\$ 106,000.00</b>	<b>\$</b>

REHABILITATION / BASE STABILIZATION							
Project Name	Code	# Days	Length	Res #s	Estimate Costs	Actual Cost	Funding
Twp 592 between RR 145- RR 150	R2112	2	1.0 miles		\$ 22,000.00		MSLMO
Twp 592 between RR 142- RR 143	R2122	2	1.0 miles		\$ 22,000.00		MSLMO
RR 200 between Hwy 28- Twp 594	R1715	3.5	2.5 miles		\$ 55,000.00		MSLMO
Twp 594 between RR 194A- RR 200	R1425	2.5	1.5 miles		\$ 33,000.00		MSLMO
Twp 602 between RR 195- RR 200	R2125	1.5	1.0 miles		\$ 22,000.00		MSLMO
RR 124 between Twp 601- Twp 603A	MG2111	4	2.5 miles		\$ 50,000.00		MSLMO
Twp 584 between Hwy 855- RR 173	MG2113	2.5	1.0 miles		\$ 25,000.00		MSLMO
Twp 604 between RR 182- RR 184	MG2115	6	2.0 miles		\$ 70,000.00		MSLMO
Cemeteries	MGCEM1	4			\$ 40,000.00		MSLMO
				<b>28</b>	<b>Total</b>	<b>\$ 339,000.00</b>	<b>\$</b>

CONSTRUCTION							
Project Name	Code	# Days	Length	Res #s	Estimate Costs	Actual Cost	Funding
Twp 590 between RR 150(s)- RR 150A	C2112	7	0.5 miles		\$ 60,000.00		MSLMO
				<b>7</b>	<b>Total</b>	<b>\$ 60,000.00</b>	<b>\$</b>

CONTRIBUTION TO CAPITAL RESERVE				Estimate Costs	Funding
Transfer for Future Road Projects				\$ 200,000.00	MO

GRAVELLING							
Miles per Division	Code	Recommended miles	Recommended Gravel	Estimate Costs	Actual Gravel	Actual Cost	Funding
144.0	PW45	41.0	6,861.0	\$ 144,081.00			RTG
218.5	PW46	82.0	13,009.0	\$ 299,207.00			RTG
159.5	PW47	32.5	5,132.0	\$ 71,848.00			RTG
167.0	PW48	37.0	5,818.5	\$ 87,277.50			RTG
219.0	PW49	53.0	8,423.0	\$ 126,345.00			RTG
<b>908.0 miles</b>		<b>245.5</b>	<b>\$ 728,758.50</b>				
Contingency:			5,000.0	\$ 90,000.00			
<b>Total</b>			<b>5,245.5</b>	<b>\$ 818,758.50</b>			
Road Repair PW90:							Unbudgeted Cost of gravel only

Three-Year Road Plan: Year 2018-2021

Carried.

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

At the November 5<sup>th</sup> Council meeting, Council removed some items and asked for further information on some items. As well, since that meeting Council has added the two purchases highlighted in yellow.

The Capital budget will total \$4,966,075 in 2019.

It consists of	<b>Bridge Repair/Maintenance</b>	<b>\$2,334,325</b>
	<b>Vehicle Replacement</b>	<b>61,000</b>
	<b>Equipment Replacement/Repair</b>	<b>1,357,000</b>
	<b>Building/Structure (capital repairs)</b>	<b>40,000</b>
	<b>Gas Line Repair/Replacement</b>	<b>50,000</b>
	<b>New Project/Assets</b>	
	Heritage Signs	15,000
	Skid for Gator	7,500
	Dump Trailer – (Landfill & P & R)	12,000
	Bear Proof Garbage Bins	6,000
	Pier	12,000
	Mons Lake Retaining Wall	20,000
	Modems for RMO Station	19,250
	RMO Station Carry Over SL	270,000
	Skid Sprayer	15,000
	Emergency Med Resp Veh (Council)	6,000
	Tower Purchase (Council)	18,000
		<b>\$400,750</b>
	<b>Transfer to reserve for future</b>	
	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
	Public Works Vehicle Replacement	238,000
	Garbage Truck	45,000
	RMO Station Replacement	70,000
		<b>\$723,000</b>

Detailed Explanations for each capital item are attached.

**Public Works Grader Fleet**

252-18: Orichowski That Smoky Lake County Council agree to include a model 160 Caterpillar Grader in the Year 2019 Public Works Equipment Fleet Budget; and pursue a grader fleet consisting of: three (3) Caterpillar 14M models and five (5) Caterpillar 160 models, for a total of eight (8) Graders going forward.

Carried.

**Meeting Recessed**

Meeting recessed for Lunch, time 12:15 p.m.

**Meeting Reconvened**

The meeting reconvened on a call to order by Reeve Craig Lukinuk at 1:19 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, Peace Officer/Rec. Manager, Agricultural Fieldman, Fire Chief, Environmental Operations Manager, Natural Gas Manager and Recording Secretary.

**Five-Year Capital Budget**

253-18: 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 at this Budget Meeting.

Carried.

### **Fifteen-Year Equipment Replacement Plan**

Each year, the management team will review the condition and usage of equipment and will adjust future years to reflect proposed changes.

254-18: Gawalko That Smoky Lake County Council approve the 2019 15-Year Equipment Replacement Plan as amended and incorporated into the Capital Plan.

Carried.

### **Fifteen-Year Vehicle Replacement Plan**

In order to maximize value, some trucks with higher usage will be replaced frequently so that they can be passed down to positions where they will receive less use. This is why you will see that many vehicles do not have repurchase dates planned.

Each year, the management team will review the plan and make minor changes depending on the mileage and condition status of the fleet.

There are large variations in the amount to be spent each year. In order to even out the impact on the budget, we are proposing that on the lower years, funds be transferred to reserves to be used towards the purchase in years of higher need.

255-18: Halisky That Smoky Lake County Council approve the 2019 15-Year Vehicle Replacement Plan as amended and incorporated into the Capital Plan.

Carried.

### **2019 Natural Gas Budget**

The 2019 projected revenue in the Natural Gas Budget includes the new billing structure for the Town of Smoky Lake. Natural Gas sales' volumes are predicted using a 5-year average. All staffing and service levels remain the same as 2018.

256-18: Halisky That Smoky Lake County adopt the 2019 Natural Gas System Budget: total Revenue in the amount of \$3,250,626.00 and Expenditures in the amount of \$3,463,626.00 (including amortization).

Carried.

## **5. Issues For Information:**

### **Pothole Patching Equipment**

257-18: Cherniwchan That the information received by Smoky Lake County Council as prepared by the Public Works Shop Foreman in regard to various models and options of Pothole Patching Equipment, be accepted for information.

Carried.

### **Commercial Vehicle Inspection Program (CVIP)**

258-18: Cherniwchan That the information received by Smoky Lake County Council as prepared by the Public Works Shop Foreman in regard to the Commercial Vehicle Inspection Program (CVIP) costs of the inspections being contracted out versus in-house options, be accepted for information.

Carried.

### **Cold Mix for Bridge Decks**

259-18: Orichowski That Smoky Lake County adjust the Three-Year Road Plan for Year 2019 to include the Project: Adding Cold Mix to 10 Bridge Decks in the total budgeted amount of \$17,895.00; and reduce the 2019 Transfer to Reserves in the same amount.

Carried.

### **Barrels of Road Sealant**



260-18: Halisky That the verbal information received by Smoky Lake County Council provided by the Public Works Manager in regard to the cost of barrels of road sealant, be accepted for information.  
Carried.

**Reserves Summary - Restricted Surplus for the Budgeted Year 2019**

261-18: Gawalko That Smoky Lake County Council 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.

**2019 Total Function Budget**

262-18: Cherniwchan That County Council defer the 2019 Total Function Budget for Smoky Lake County to the next scheduled budget meeting.  
Carried.

**6. Correspondence:**

No Correspondence.

**7. Delegation:**

No Delegation.

**Next Meeting**

263-18: Orichowski That the next Smoky Lake **County Council Budget Meeting** be scheduled for Friday, **January 25, 2019** at 9:00 a.m., to be held in the County Council Chambers.  
Carried.

**Adjournment:**

264-18: Lukinuk That this meeting be adjourned, time 2:03 p.m.  
Carried.

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REEVE

**S E A L**

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CHIEF ADMINISTRATIVE OFFICER