

SMOKY LAKE COUNTY

Minutes of the **County Council Budget meeting** held on Friday, **May 17, 2019** at 9:10 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, May 17, 2019</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	Absent

Members of Administrative Staff in attendance:

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

One Member(s) of the Media: The Review.

No Member(s) of the Public.

2. Agenda:

687-19: Orichowski

That the Agenda for Friday, May 17, 2019 Smoky Lake County Council Budget Meeting be adopted, as presented.

Carried Unanimously.

3. Minutes:

No Minutes.

Terry Bodnar, Water and Wastewater Technician, entered Council Chambers, time 10:30 a.m.

4. Request For Decision:

2019 Tax Rate



2019

ASSESSMENT

REQUISITIONS

TAX RATES



ASSESSMENT CHANGES

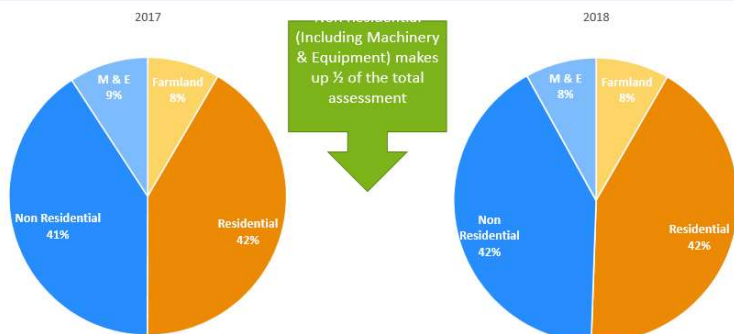
Residential and Non Residential Assessments increased 2%

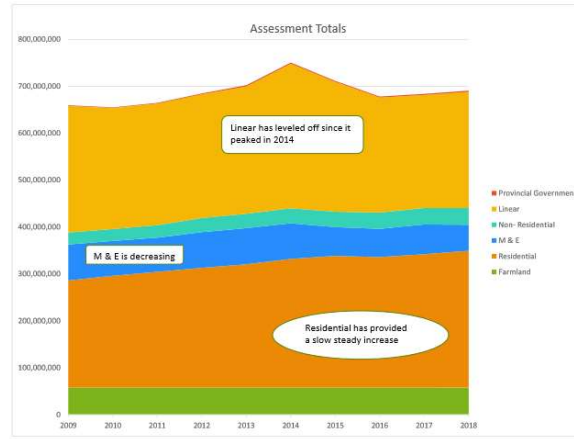
however

Machinery and Equipment assessment decreased by over 11% (\$7,350,770)



ASSESSMENT



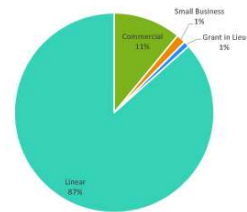


10 YEAR TREND



- Under the new MGA, municipalities can split non-residential properties into 3 sub-classes:
 - Vacant non-residential property
 - Small business property
 - Other non-residential property
- There are 33 parcels that qualify
 - Properties that are used by businesses that employ less than 50 full-time employees in Canada

SMALL BUSINESS ASSESSMENT



The Assessment for Small Business Commercial is \$4,327,880
The total Non Residential Assessment is \$338,906,190



REQUISITIONS

EDUCATION

- The education requisition will not be available until fall.
- It has been recommended that we estimate it by using the same rate as 2018 multiplied by the 2019 equalized assessment
 - Estimation \$1,930,021

DESIGNATE INDUSTRIAL PROPERTY

- The Province has drastically increased the requisition

FOUNDATION

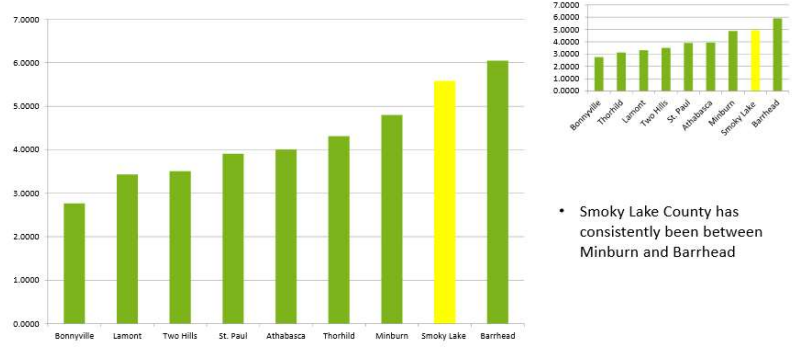
- \$502,965
- Down \$3,375 from 2018

	2018 Rate	2019 Rate	Decrease	
SCHOOL RESIDENTIAL	2.5631	2.5023	-0.0608	-2%
SCHOOL NON-RESIDENTIAL	3.8186	3.7164	-0.1022	-3%
FOUNDATION	0.7453	0.7334	-0.0119	-2%
DESIGNATED INDUSTRIAL PROPERTY	0.0342	0.0786	0.0444	130%





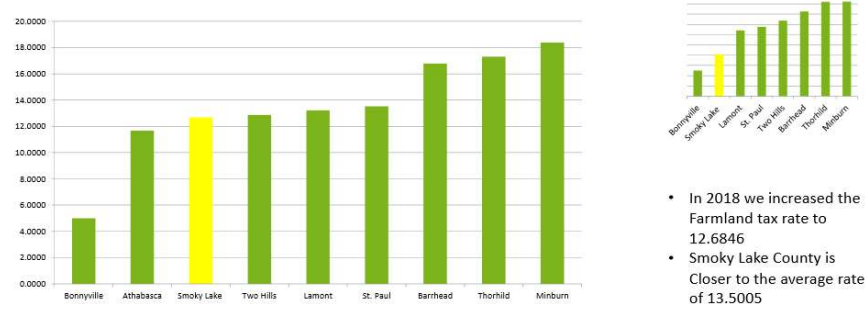
2018 RESIDENTIAL TAX RATES



- Smoky Lake County has consistently been between Minburn and Barrhead



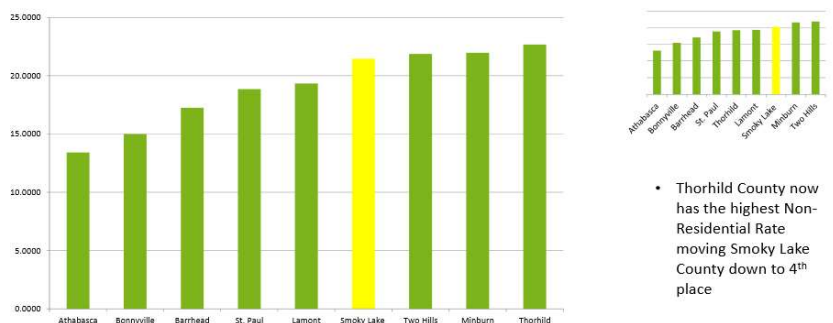
2018 FARMLAND TAX RATE



- In 2018 we increased the Farmland tax rate to 12.6846
- Smoky Lake County is closer to the average rate of 13.5005



NON RESIDENTIAL TAX RATE



- Thorhild County now has the highest Non-Residential Rate moving Smoky Lake County down to 4th place



2019 BUDGET

- The 2019 Budget included an overall increase in tax revenue of 1.5%
- It was expected that the increase in assessment would provide this increase
- The substantial decrease in Machinery and Equipment assessment results in the need to increase tax rates



LANDFILL TAX RATE

▪ The landfill budget for 2019 (not including amortization) is \$470,888

Revenues		\$ 56,680.00
Expenses		
Salaries, wages and benefits	\$285,062.00	
Contracted and general services	\$154,111.00	
Materials, goods and utilities	\$39,895.00	
Transfers to local boards and agencies	<u>\$26,000.00</u>	
		\$505,068.00
Deficit from Operations		-\$448,388.00
Net Capital	\$37,000.00	
Net Reserves	<u>-\$14,500.00</u>	
		<u>\$22,500.00</u>
Net Deficit Excluding Amortization		-\$470,888.00

	2018	2019
Revenue required	\$440,416.00	\$470,888.00
Tax Rate	0.7012	0.6817



FIRE PROTECTION SERVICES TAX RATE

▪ The fire protection budget for 2019 (not including amortization) is \$578,170

	2018	2019
Revenue required	\$605,008.00	\$578,170.00
Tax Rate	0.8848	0.837



Revenues		\$ 145,880.00
Expenses		
Salaries, wages and benefits	\$ 216,473.00	
Contracted and general services	\$ 278,600.00	
Materials, goods and utilities	<u>\$ 115,477.00</u>	
		\$ 610,550.00
Deficit from Operations		-\$ 464,670.00
Capital	\$ 28,500.00	
Reserves	<u>\$ 85,000.00</u>	
		<u>\$ 113,500.00</u>
Net Deficit Excluding Amortization		-\$ 578,170.00



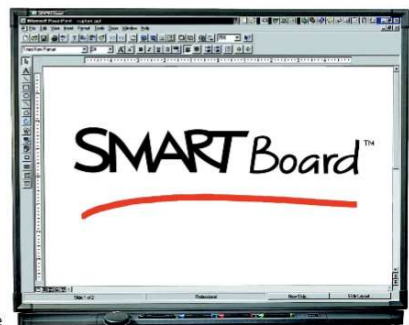
MUNICIPAL TAX RATE

- The total rate decrease in Landfill and Fire Services is .0673
- If we add this to the municipal tax rate we will have \$8,640,620 in municipal tax revenue
- As per the passed 2019 budget we need \$8,823,009 in municipal tax revenue



MUNICIPAL TAX RATE

- In order to raise municipal taxes of \$8,823,009, there are many combinations of tax rate changes available. We will need \$183,000 in additional tax revenue
- An increase of 1 mill
 - On Farmland will provide \$57,000
 - On Residential will provide \$291,000
 - On Non Residential will provide \$337,000
 - On Small Business will provide \$4,000
- 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



2019 Capital and Operating Budget

688-19: Halisky

That Smoky Lake County approve to transfer funds in the amount of Two Hundred Thousand Dollars (\$200,000.00) from the 2019 Capital Reserves into the 2019 Operating Budget.

Carried.

Three-Year Road Plan

689-19: Gawalko That Smoky Lake County amend the 2018 Three-Year Road Plan for the:
➤ 2019 Rehabilitation Base Stabilization Project: MG1911, described as 4.25 miles of Range Road 130 between Township Roads 603 and 611A, to be deferred to Year-2020.
Carried.

Capital Project: Boat Launch on North Saskatchewan River at Pakan

690-19: Lukinuk That Smoky Lake County approve to transfer Operating Budget Funds in the amount of Twenty-Five Thousand Dollars (\$25,000.00) into the 2019 Capital Budget for the Boat Launch on North Saskatchewan River at Pakan Project on the land legally described as Plan 7822470, Block D, Lot 2ER; NE-12-58-17-W4.
Carried.

5. Issues For Information:

No Issues for Information.

6. Correspondence:

No Correspondence.

7. Delegation:

No Delegation.

Adjournment:

691-19: Lukinuk That this meeting be adjourned, time 10:50 a.m.
Carried.

REEVE

S E A L

CHIEF ADMINISTRATIVE OFFICER