

Governance and Priorities Committee

November 29, 2022



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**AGENDA
TOWN OF LAMONT
Governance & Priorities Committee Meeting
November 29, 2022**

1. CALL TO ORDER AND RELATED BUSINESS

1.1. CALL TO ORDER

1.2. ADOPTION OF AGENDA

1.3. DECLARATION OF PECUNIARY INTEREST

1.4. ADOPTION OF MINUTES

1.4.1. Governance & Priorities Committee Minutes – November 12, 2022Page 1

2. DELEGATIONS

2.1. MOTION FOR ACCEPTANCE OF DELEGATION

3. NEW BUSINESS

3.1. 2023 Capital Budget & 5 (10) Year Capital Plan IntroductionPage 3

3.2. 2023 Interim Budget Introduction.....Page 5

3.3. 2023 Utility Cost Recovery and Capital Investment Introduction.....Page 7

4. CLOSED SESSION

5. ADJOURNMENT



5307 – 50 Avenue
Lamont, AB T0B 2R0

**Town of Lamont
November 12, 2022
Governance & Priorities Committee Meeting**

PRESENT:	Kirk Perrin	Chair
	Jody Foulds	Member
	Linda Sieker	Member
	Al Harvey	Member
	David Taylor	Member
	Perry Koroluk	Member
	Colleen Holowaychuk	Member
	Rick Bastow	Chief Administrative Officer
	Tyler Edworthy	Director Operations & Infrastructure
	Robert Mu	Finance Officer

CALL TO ORDER AND RELATED BUSINESS:

Call to Order: Chair Perrin: called the meeting to order at 1:00 p.m.

Adoption of Agenda

MOTION: Member Sieker: That the Governance & Priorities Committee Agenda be accepted as presented.

CARRIED

Declaration of Pecuniary Interest: None.

DELEGATIONS: None.

BUSINESS:

2023 Capital Budget & 5 Year Capital Plan

MOTION: Member Taylor: That the Governance and Priorities Committee accept the 2023 Capital Budget as information

CARRIED

MOTION: Member Sieker: That the Governance and Priorities Committee accept the 2023-2027, 5-Year Capital Plan as information

CARRIED

ADJOURNMENT: Chair Perrin adjourned the meeting at 2:33 p.m.

Chair

Chief Administrative Officer



**TOWN OF LAMONT
COUNCIL AGENDA
REQUEST FOR DECISION**

AGENDA ITEM: 3.1

**COUNCIL MEETING DATE:
November 29, 2022**

ITEM DESCRIPTION OR TITLE

2023 CAPITAL BUDGET & 5YR (10) CAPITAL PLAN INTRODUCTION

RECOMMENDATION

1. **THAT** the Governance and Priorities Committee accept the 2023 Capital Budget as information.

2. **THAT** the Governance and Priorities Committee accept the 2023-2027, 5-Year Capital Plan as information.

BACKGROUND

The 2023 Capital Budget and 5-Year Capital Plan identifies known capital expenses the Town of Lamont will require over the next 5 years, the current financial position, sources of funding, and grants that have been applied for.

In preparation on the 2023 Capital Budget and 5-Year Capital Plan, administration has identified priority projects in the amount of \$4,401,000 for years 2023 to 2027, with an average annual cost of \$880,000. The 2023 Capital Budget identifies 3 priority projects with a total cost of \$870,000.

Year	2023	2024	2025	2026	2027
Total	870,000	700,000	1,050,000	801,000	980,000

With Council’s approved reallocation of funding and transfer from reserves, for the 2022 Capital Works Program, the infrastructure work identified as Campbell Stage 2 Phase 2, approved in year 2023 of the 2022 – 2026, 5-year Capital plan was also initiated saving costs on the proposed 2023 Capital Budget of approximately \$600,000.

Municipalities have seen a significant reduction in provincial funding for capital investment, combined with inflationary pressure has resulted in administration presenting a phased approach to the 2023 Capital Budget. Priorities set in the phased approach will be based on risk and impacts do to failure, grant funding approvals and other funding confirmation.



TOWN OF LAMONT COUNCIL AGENDA REQUEST FOR DECISION

Details on the 2023 Capital Budget and 2023- 2027, 5-year Capital Plan projects and sources of funding will be presented to the Governance and Priorities Committee for input.

COMMUNICATIONS

Once Council approves the 2023 Capital Budget and 5-Year Capital Plan, the reports will be posted on the Town website.

IMPLICATIONS OF DECISION

The reduction in provincial funding and increased costs due to inflation has impacted the capital planning approach. The proactive savings on the Campbell stage 2 phase 2 project has enabled a phase approach to complete the project and maintain the 5-year Capital Plan. The proposed projects identify required infrastructure investment that puts the Town in a position to support the Town of Lamont Strategic Plan.

FINANCIAL IMPLICATIONS

Project costs and funding sources for each option have been provided in the presentations.

POLICY AND/OR LEGISLATIVE REFERENCES

MGA Section 283
Town of Lamont Strategic Plan 2023-2027

ATTACHMENTS

N/A

Report Prepared By:

- Tyler Edworthy, Director, Operations & Infrastructure
- Robert Mu, Finance Officer

Approved by CAO:



TOWN OF LAMONT COUNCIL AGENDA REQUEST FOR DECISION

AGENDA ITEM: 3.2

GOVERNANCE AND PRIORITIES COMMITTEE MEETING DATE:
November 29, 2022

ITEM DESCRIPTION OR TITLE

2023 Interim Operating Budget Introduction

RECOMMENDATION

THAT the Committee accepts the 2023 Interim Operating Budget Introduction as information.

BACKGROUND

Based on the fact that the Town's revenues (grants) and expenses (requisitions) highly impacted by the provincial budget and other parties each year, the Town's administration recommends that the Town's Council approves an interim budget for the operation period from January 1st to April 30, 2023 in December 2022 and then pass the 2023 final budget in April 2023 after the Province passed its budget.

COMMUNICATIONS

N/A

IMPLICATIONS OF DECISION

The benefits of having an interim budget in place include the ability to provide a temporary financial document that helps the Town get through a period until the final budget is approved in early April after, amount of funding from Province, final assessments, and requisition amounts are known.

FINANCIAL IMPLICATIONS

An interim budget is a temporary financial document that gives the Town administration spending rights for incurring expenditure in 2023 until a full budget is passed.

However, the spending is limited to a predetermined amount, or a percentage that is approved by Council. For example, the spending limitation of 2023 for the first four months' operation, could be 40% of the amount last year's approved budget with few exceptions, such as insurance, audit fees, debenture repayments, etc., at least until the full budget is passed in the April 2023.

POLICY AND/OR LEGISLATIVE REFERENCES

- Subsection 242(1) of the Municipal Government Act (MGA) states each council must adopt an operating budget for each calendar year.
- Subsection 242(2) of the MGA states a council may adopt an interim operating budget for part of a calendar year.



**TOWN OF LAMONT
COUNCIL AGENDA
REQUEST FOR DECISION**

ATTACHMENTS

N/A

Report Prepared By: Robert Mu, Finance Officer

Approved by CAO:

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TOWN OF LAMONT COUNCIL AGENDA REQUEST FOR DECISION

AGENDA ITEM: 3.3

COUNCIL MEETING DATE:
November 29, 2022

ITEM DESCRIPTION OR TITLE

Orientation Information – Utility Cost Recovery

RECOMMENDATION

THAT the Committee receive the Utility Cost Recovery Orientation as information.

BACKGROUND

In 2021, the Town of Lamont implemented a modernization to its utility fee structure.

- Without cost recovery considerations the utility program contributes to a deficit. The supporting evidence and benefits of utility cost recovery model are listed below:
 - Alberta Municipal Affairs, through the What every Councillor Needs To Know handbook, page 15 notes that” ... (full cost recovery is normal for utilities)”, and
 - Alberta Environment and parks have long advised that utilities be 100% cost recovery, and
 - A change to greater cost recovery in utilities can result in a decrease in taxes required to subsidize them, and
 - A change to cost recovery for utilities will ensure that those renting properties are not provided with a subsidized rate for utilities paid for by those who own properties, and
 - A change to full cost recovery will establish a reserve for infrastructure replacement.
- To improve the service level to the ratepayers, the Town’s current utility fee structure uses monthly service fees plus charges for their water usage measured by cubic meter.

COMMUNICATIONS

N/A

IMPLICATIONS OF DECISION

Administration has conducted research and analysis to balance the two goals: to meet the Town’s business needs and to satisfy the ratepayer’s affordability.

FINANCIAL IMPLICATIONS

Forms part of the annual schedule of fees and charges.

POLICY AND/OR LEGISLATIVE REFERENCES

N/A



**TOWN OF LAMONT
COUNCIL AGENDA
REQUEST FOR DECISION**

ATTACHMENTS

N/A

Report Prepared By: CAO Bastow

Approved by CAO:

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