

Governance and Priorities Committee

November 7 & 8, 2023



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**AGENDA
TOWN OF LAMONT
Governance & Priorities Committee Meeting
November 7 & 8, 2023**

1. CALL TO ORDER AND RELATED BUSINESS

1.1. CALL TO ORDER

1.2. ADOPTION OF AGENDA

1.3. DECLARATION OF PECUNIARY INTEREST

2. NEW BUSINESS

2.1. 2024 Capital Budget Discussion.....Page 1

2.2. 2024 Operation PlanningPage 30

3. CLOSED SESSION

4. ADJOURNMENT



**TOWN OF LAMONT
GOVERNANCE AND PRIORITIES COMMITTEE
AGENDA**

AGENDA ITEM: 2.1

**GOVERNANCE AND PRIORITIES COMMITTEE MEETING DATE:
November 7 & 8, 2023**

**ITEM DESCRIPTION OR TITLE
2024 Capital Budget Discussion**

RECOMMENDATION

THAT the Governance and Priorities Committee accept the 2024 Capital Budget Discussion as information.

BACKGROUND

The 2024 Capital Budget discussion provides an overview of possible capital expenses based on condition analysis, past capital investment, inflationary impacts, a financial analysis, and potential funding sources.

In preparation of the 2024 Capital Budget discussion, administration has prepared a 20-year condition analysis of Lamont's paved road infrastructure, identified multi-year road and utility projects, storm system improvement projects, 10- year equipment and fleet replacement, and parks and recreation considerations.

COMMUNICATIONS

Once Council approves the 2024 Capital Budget, the plan will be posted on the Town website.

IMPLICATIONS OF DECISION

Support strategic planning

FINANCIAL IMPLICATIONS

TBD

POLICY AND/OR LEGISLATIVE REFERENCES

MGA- Section 283
Town of Lamont Strategic Plan 2023-2027

ATTACHMENTS

2024 Capital Budget Discussion

Report Prepared By: Tyler Edworthy Director Operations and Infrastructure.

Approved by CAO: 



2024 Capital Budget Discussion

Presented to Governance and Priorities
Committee on November 7 & 8, 2023

Reviewed and Approved by: Rick Bastow, CAO

**Prepared by: Tyler Edworthy, Director, Operations
& Infrastructure and Robert Mu, Finance Officer**

The Purpose of the Presentation

The presentation gives the Governance and Priorities Committee an overview of the possible capital projects before the Capital Budget is set by Council.

2024 Draft Budget Survey



HOW TAXPAYERS WANT TO SEE THEIR
TAX DOLLARS SPENT IN 2024

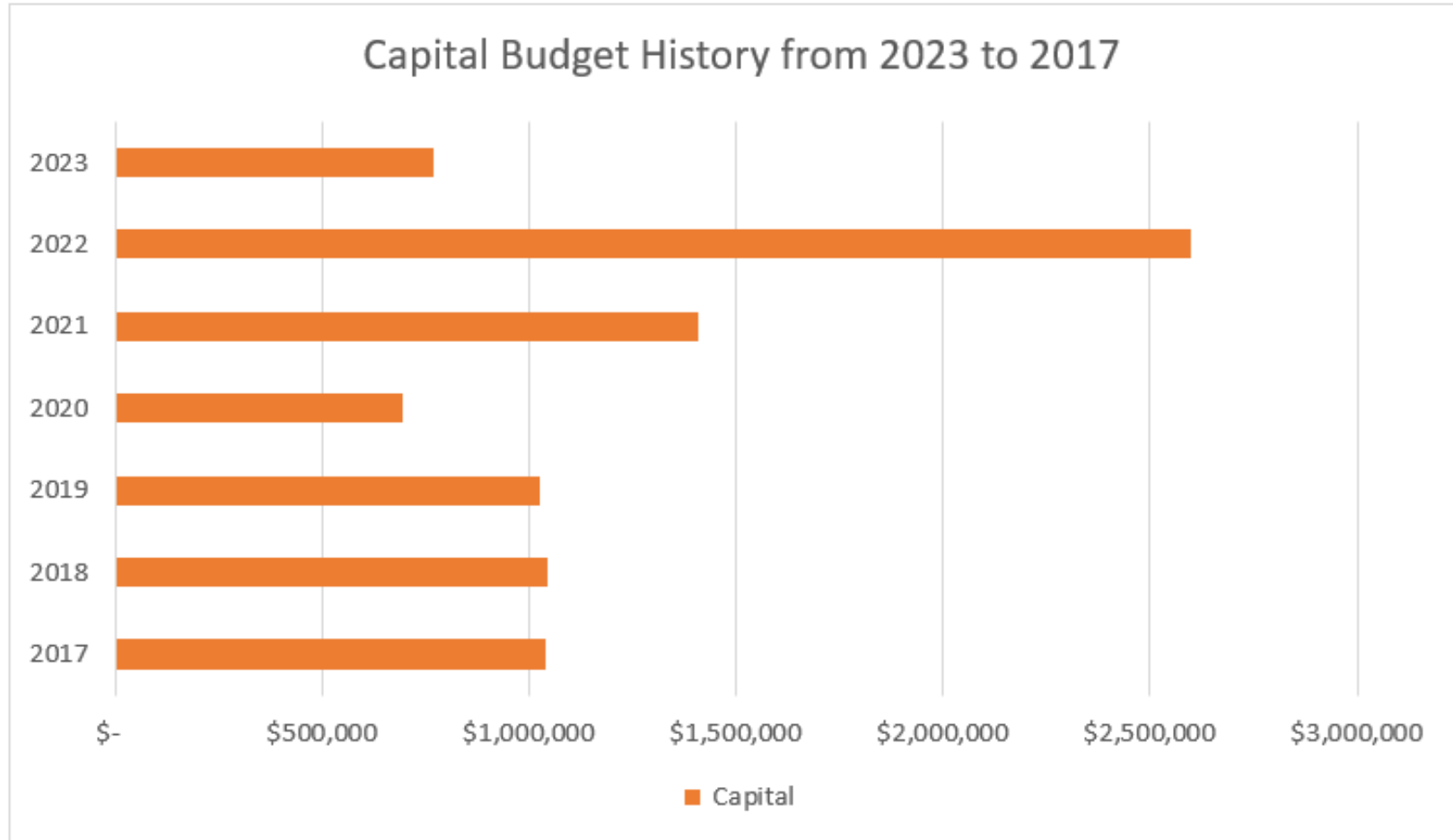
Town Infrastructure
Upgrades Small Business
Parks Alleys Investing
Streets
Roads Maintenance
Sewers Improvements
Support Businesses



**INVESTMENT IN INFRASTRUCTURE IS
A LONG-TERM REQUIREMENT FOR
GROWTH AND LONG-TERM FACTOR
THAT WILL MAKE GROWTH
SUSTAINABLE.
CHANDA KOCHHAR**

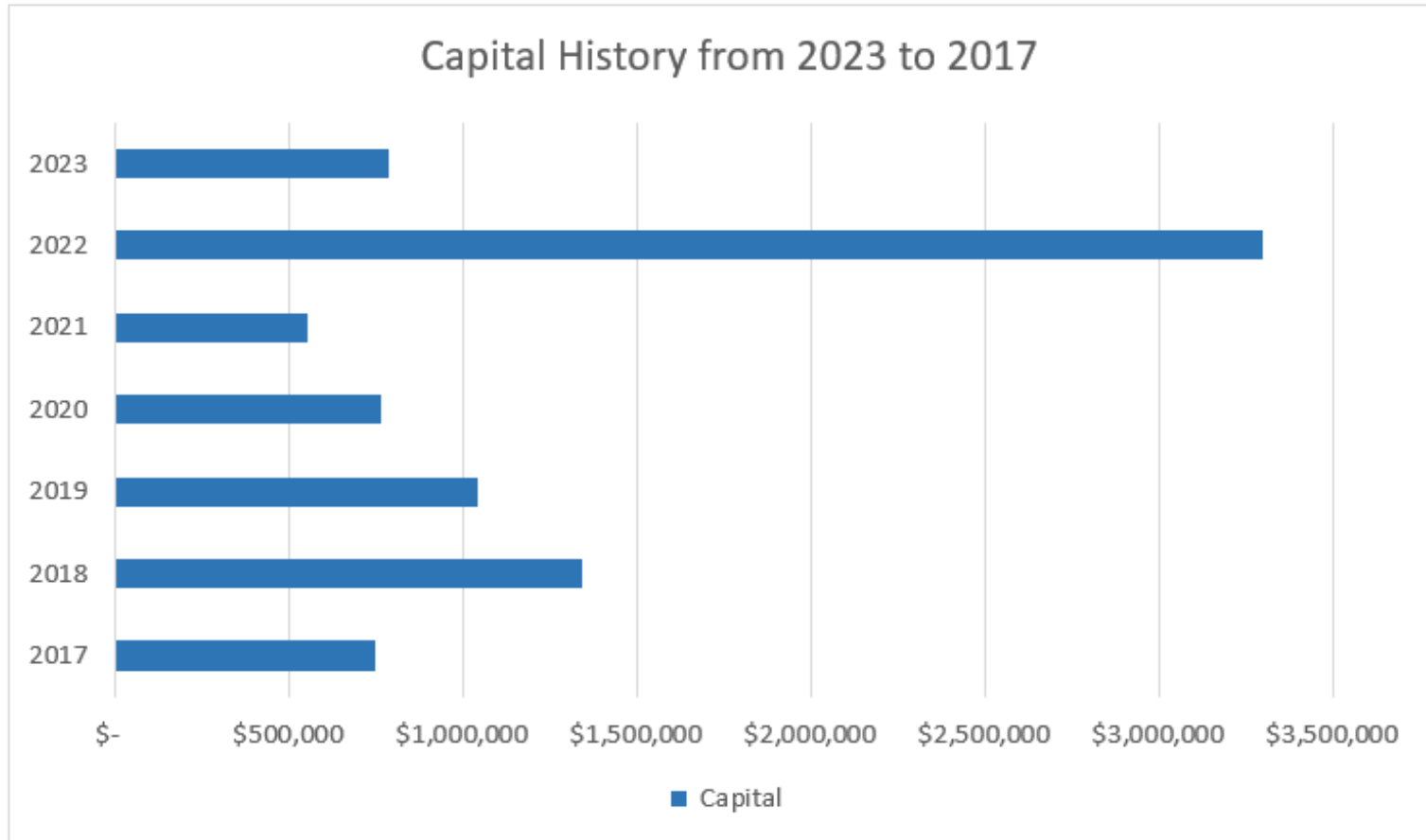
2017 to 2023 Capital Budget Forecast

Year	2017	2018	2019	2020	2021	2022	2023
Capital	\$1,039,000	\$1,042,457	\$1,024,303	\$694,400	\$1,407,520	\$2,599,311	\$ 770,000



2017 to 2023 Capital Actual

Year	2017	2018	2019	2020	2021	2022	2023
Capital	\$746,727	\$1,345,615	\$1,041,349	\$766,169	\$553,461	\$3,300,733	\$786,730



Increased Cost due to Inflation Based on 2017 Projects

Year	2017	2018	2019	2020	2021	2022	2023
Capital	\$746,727	\$ 763,283	\$ 777,555	\$781,551	\$ 815,805	\$ 871,752	\$ 904,864

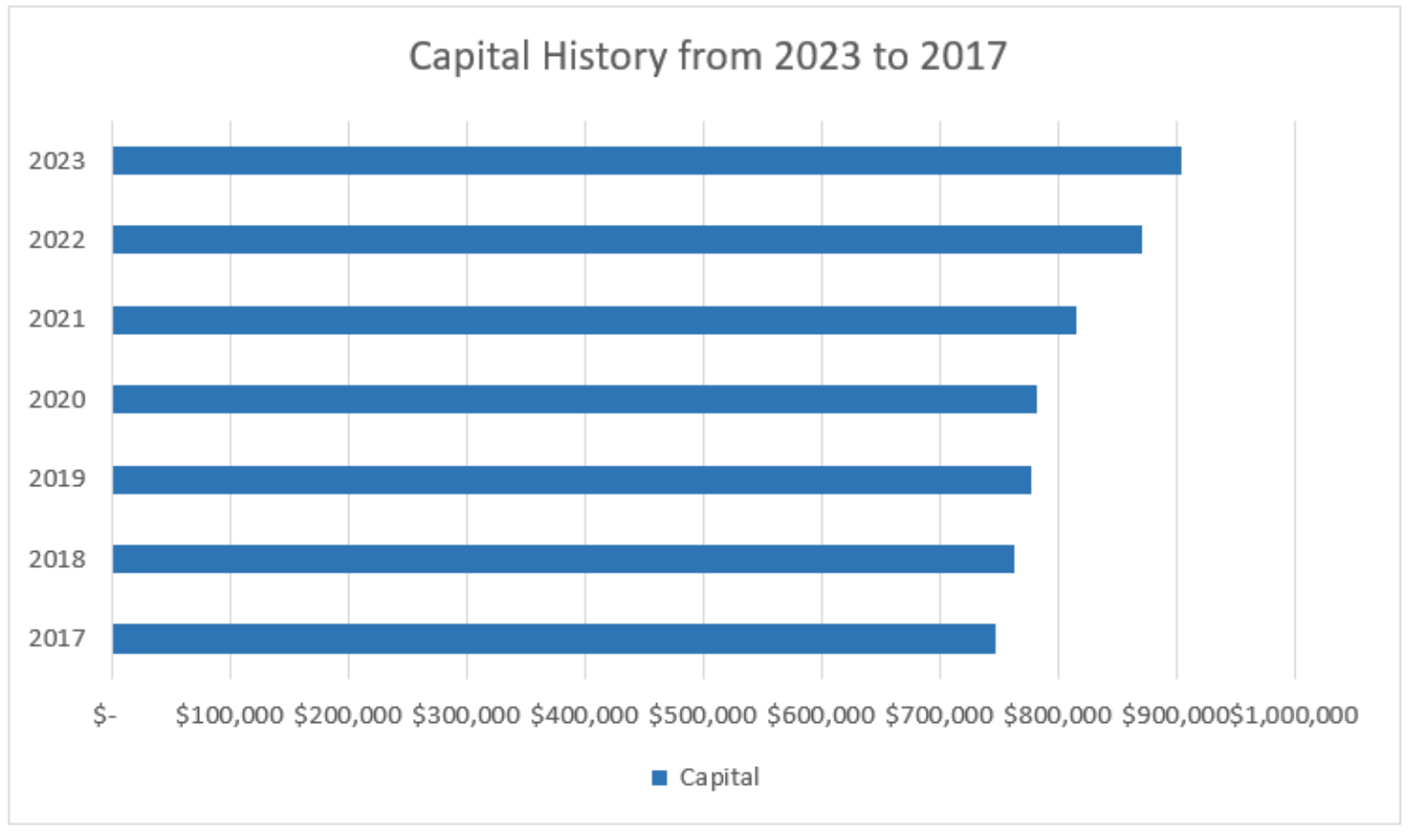


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- 02** Financial Analysis
- 03** 2024 Capital Projects Discussion

- 04** Grants Review
- 05** Reserve and Unrestricted Surplus

Section 1 – 20 Year Condition Analysis



Transportation- Paved Road Assessment



Section 1.1 – 20 Year Projected

#	Projects	Road Work	Concrete Work	Utility Work	Total
1	52 Ave - 47 Ave to Alley East (215 Lin M)	297,990	198,944	38,750	535,684
2	55 Street - 52 Ave to 53 Ave (190 Lin M)	263,340	175,810	101,250	540,400
3	Corner 52 Ave and 53 Street (30 Lin M)	41,580	27,760	20,000	89,340
4	53 Street - 50 Ave to 51 Ave (97 Lin M)	134,443	89,756	18,750	242,949
5	52 Street - 50 to 48 Ave (41 Lin M)	66,413	21,525	40,000	127,938
6	52 Street - 48 Ave to 47 Ave (85 Lin M)	117,810	44,625	-	162,435
7	51 Ave - 50 to 49 Street (125 Lin M)	144,375	115,665	45,000	305,040
8	Corner 20 Prince Drive (45 Lin M)	83,225	41,640	20,000	144,865
9	50 Street - Princess Dr to 56 Ave	166,320	124,500	20,000	310,820
10	44 Street - 56 Ave North (150 Lin M)	207,900	161,438	20,000	389,338
11	44 Street - 55 to 56 Ave (190 Lin M)	219,451	204,488	60,000	483,939
12	45 Street 55 Ave North (61 Lin M)	176,138	41,501	60,000	277,639
13	50 A Ave - 44 to 45 ST (310 Lin M)	358,050	415,913	102,500	876,463
14	49 Street - 47 to 48 Ave (110 Lin M)	127,050	57,750	20,000	204,800
15	47 Ave - 48 to Street (490 Lin M)	565,950	91,875	91,250	749,075
16	50 Ave HWY 15 to 48 St (990 Lin M)	1,829,520	805,612	111,250	2,746,382
Total		\$ 4,799,555	\$ 2,618,802	\$ 768,750	\$ 8,187,107

Section 1.2 – Multi –Year Road & Utilities

Campbell Stage 3 (46 Street)		\$2,150,000.00
46 St Phase 1 (Storm Improvements- Sidewalk & Gutter Full Recon)		\$618,750.00
46 St Phase 2 (Watermain and water service replacements)		\$591,600.00
46 St Phase 3 (Full Road Reconstruction)		\$729,000.00
46 St Phase 4 (Sanitary Sewer- Relining & Service Upgrades)		\$210,650.00

Sanitary Line Repair 4815- 51 St		\$40,000.00
Sanitary Line Repair		\$20,000.00
Concrete Work		\$8,000.00
road rehab		\$12,000.00

Section 1.3 – Storm System Improvements

Storm System Improvements 50 Ave as per study Minor Improvement:	\$200,000.00
Upgrade existing catch basin alley between 46 & 45 St - with 450 mm connection	
Upgrade storm sewer main west along 50 ave, from manhole 307 to 308 with 600mm mainline.	

Storm System Improvements 50 Ave as per study Major Improvement:	\$2,362,500.00
Ditch improvements along the east boundary of the elementary school and direct flow across 50 Avenue east to Lamont Creek.	
Construct a Stormwater Management Facility (SWMF) on the undeveloped land. Maximum discharge should be controlled to 0.15 m ³ /s and provide a storage capacity of 21,000 m ³ for the 100-year design event.	
Includes the 1200mm dia storm main that is required to release into the creek.	
Land acquisition is not factored into cost	

Section 1.3 – Storm System Improvements

Arena Storm Trunk Line (680 Lin M)	\$5,325,000.00
Replace existing Storm trunk line with 1500 dia pipe.	
replace 19 manholes.	

Hillside Pond Study	\$25,000.00
Site Survey to determine limitations	\$8,000.00
Technical report with recommendation and cost	\$17,000.00

Section 1.4 – Equipment & Fleet – 10 Year Replacement Schedule

Back Hoe & attachment Replacement (2007)	\$240,000.00
Operations 3/4 Ton truck 1/2 ton replacement (2006)	\$90,000.00
Kubota F2690 #1 (2013)	\$40,000.00
Operations 1/2 Ton truck replacement (2007)	\$60,000.00
John Deere 872D - Grader (2008)	\$400,000.00
Kubota F2690 #2 (2014)	\$40,000.00
Tennant Sentinel Sweeper (2005)	\$200,000.00
Kubota F2560E #3 (2016)	\$40,000.00
Olympia Millenium Ice Resurface (2009)	\$150,000.00
Husqvarna Z254 Mower (2018)	\$30,000.00
Kubota M9000	\$120,000.00
GMC Sierra 1500 (Grey Reg Cab) (2013)	\$60,000.00
Total of Equipment & Fleet	\$1,470,000.00

Section 1.5 – Multi-Year Parks & Recreation

Arena Roof Repair	
<i>Rust Mitigation</i>	<i>\$60,000.00</i>
<i>Repair Seal existing roof & mechanical systems</i>	<i>\$40,000.00</i>
<i>Install Ceramic roof coating membrane</i>	<i>\$100,000.00</i>
<i>Install roof coating membrane</i>	<i>\$150,000.00</i>
Arena & Hall Floor Machine	\$20,000.00
Curling Rink Ice Plant	\$400,000.00
Arena Hall HVAC Upgrade	\$100,000.00
Total of Parks & Recreation	\$870,000.00

Section 1 – 20 Year Summary



Estimated Cost Summary	
Transportation - paved road cost	\$8,187,107
Roads, and Utilities	\$2,190,000
Storm System Improvements	\$7,912,500
Equipment & Fleet	\$1,470,000
Parks & Recreation	\$870,000
Total	\$20,629,607

SECTION 2

FINANCIAL ANALYSIS PART I - COMPARISON

Financial Position Comparison							
Municipalities	Population	Cash on Hand	Unrestricted Surplus	Reserve	Long-term Debts	Cash on Hand vs Debts	Unused Debt Limits (Capital)
Lamont	1744	4,911,223	2,341,440	2,096,287	(2,448,536)	2,462,687	3,314,214
Bruderheim	1329	1,585,066	187,278	1,149,340	(1,249,578)	335,488	3,378,288
Tofield	2045	4,875,648	105,262	4,841,474	(4,316,613)	559,035	5,311,970
Redwater	2115	4,011,147	1,911,516	2,860,891	(3,948,409)	62,738	7,902,539
Mundare	689	1,106,284	180,369	349,421	(1,599,165)	(492,881)	1,340,673

Note:

1. the population was based on the 2021 Census
2. Mundare's information was also based on their 2021 audited financial statements.
3. the rest of information was based on 2022 audited financial statements

SECTION 2
 FINANCIAL POSITION PART II-
 CURRENT POSITION

Updated as of End of Q3 of 2023	Chequing Accounts	GICs	Total Unrestricted Funds	Restricted Funds
Lamont	\$ 2,030,011	\$3,060,750	\$ 5,090,761	\$ 510,970

2023 – CURRENT 5-YEAR CAPITAL PLAN

ASSET GROUP	2023	2024	2025	2026	2027
Buildings					
Equipment & Fleet		300,000	400,000	240,000	240,000
Infrastructure	745,000	200,000	250,000	461,000	740,000
Parks & Recreation	125,000	200,000	400,000	100,000	
Total	870,000	700,000	1,050,000	801,000	980,000



Section 03 - Potential 2024 Capital Projects

Project Description	2024 Cost	2023 Cost
Storm System Improvements 50 Ave as per study Minor Improvements	\$200,000	\$200,000
Upgrade existing catch basin alley between 46 & 45 St - with 450 mm connection		
Upgrade storm sewer main west along 50 ave, from manhole 307 to 308 with 600mm mainline.		
 Sanitary Line Repair 4815- 51 St	\$40,000	\$0
 Equipment & Fleet		
Back Hoe & attachment Replacement (2007)	\$240,000	\$180,000
Operations 3/4 Ton truck 1/2 ton replacement (2006)	\$90,000	\$80,000
Kubota F2690 #1 (2013)	\$40,000	\$40,000
 Parks & Recreation		
Arena Roof Repair	\$350,000	\$200,000
Arena & Hall Floor Machine	\$20,000	\$0
Total	\$980,000	\$700,000

Section 03 - Potential 2024 Capital Projects

The 2024 Capital funding was forecast based on the 2023 Provincial Budget.

- **2023 Alberta's budget: \$485M in 2023 to \$722M (LGFF) in 2024, which is a 48.9% increase.**
- **The Town received \$206,782(MSI) and \$111,055(CCBF) in 2023.**
- **If we use the same percentage of increase forecasting the Town's 2024 LGFF, the 2024 LGFF for the Town is estimated to be \$473,151.**



Section 03 - Potential 2024 Capital Projects

	2023-24	2024-25	%
Alberta's 2023-24 Budget (\$ millions)	Budget	Forecast	Increase
MSI Capital (including CCBF)	\$ 485		
LGFF Capital		\$ 722	
Total Capital Grants	\$ 485	\$ 722	48.9%

Lamont 2024 Capital Forecast	2023	2024 (Forecast)	
MSI Capital	\$ 206,782		
Canada Community-Building Fund (CCBF)	\$ 111,055		
LGFF Capital		\$ 473,151	
Grants Amounts Paid/Forecast	\$ 317,837	\$ 473,151	48.9%



Reserve Balance as January 1st, 2023

Accounts	Balance	Accounts	Balance
General	\$ 322,129	Sewer	\$ 17,500
Administration	\$ 461,127	Planning & Subdivision	\$ 788,790
Fire	\$ 7,986	Recreation General	\$ 52,500
P.W.	\$ 62,073	Hall	\$ 10,000
Street and Road	\$ 189,000	Arena	\$ 34,358
Strom Sewer	\$ 15,000	Park	\$ 27,813
Water	\$ 98,011	Curling Rink	\$ 10,000

Reserve Total			\$ 2,096,287
Accumulated Surplus			\$ 2,341,440

TOTAL OF RESERVE AND ACCUMULATED SURPLUS			\$4,437,727
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Section 05 – Reserve and Accumulated Surplus

Part 2 – Debt Limits

DEBT LIMITS

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Town of Lamont be disclosed as follows:

	<u>2022</u>	<u>2021</u>
Total debt limit	\$ 5,762,750	\$ 5,574,978
Total debt	<u>(2,448,536)</u>	<u>(1,042,881)</u>
Total debt limit remaining	<u>\$ 3,314,214</u>	<u>\$ 4,532,097</u>



Debenture Balance & Annual Debt Repayments

Project Name	Date Issued	Term	Rate	Loan Amount	Annual Payment	Balance of Dec 31, 2023
P.W. Workshop	16-Mar-09	25	5.066	\$ 675,000	\$ 47,913	\$ 386,466
Water & Sewer Cross Hwy15	16-Dec-13	15	3.295	\$ 1,143,000	\$ 97,189	\$ 444,667
2022 Capital Projects	15-Mar-22	20	3.62	\$ 1,536,063	\$ 108,596	\$ 1,455,131
Total				\$ 3,354,063	\$ 253,698	\$ 2,286,264

Summary Of Funding

Source of Funding	Amounts
LGFF Capital	\$ 473,151
Reserve	\$ 2,096,287
Project Based Grants	TBD
Total funding available	\$ 2,569,438

Summary Of Grants under Review

Grant Program	2024 Capital Project	Grant Request	Partner Example	Grant Deadline
Community Facility Enhancement Program	Parks and Recreation: Areana Roof Repair	\$125,000	Elk Island Wild	January 2024
Community Building Recommissioning Grant	Parks and Recreation: Offset operational costs	\$20,000	N/A	Open Intake
Travel Alberta Growth Fund	Parks and Recreation: Offset operational costs	\$75,000	N/A	January 2024
2 Billion Trees Program	Parks and Recreation: Offset operational costs	\$10,000	N/A	January 2024



RICK BASTOW, CAO
TYLER EDWORTHY, DIRECTOR, OPERATIONS & INFRASTRUCTURE
ROBERT MU, FINANCE OFFICER



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THANK YOU!

Do you have any questions?



**TOWN OF LAMONT
GOVERNANCE AND PRIORITIES COMMITTEE
AGENDA**

AGENDA ITEM: 2.2

**GOVERNANCE AND PRIORITIES COMMITTEE MEETING DATE:
November 7 -8, 2023**

**ITEM DESCRIPTION OR TITLE
2024 OPERATION PLANNING**

RECOMMENDATION

THAT the Governance and Priorities Committee accept the 2024 Operation Planning discussion as information.

BACKGROUND

The 2024 Operation Planning discussion supports development of the 2024 Operation Budget. *The Municipal Government Act (MGA)* requires that a Town Council review and approve the Town’s operating budget each year. Accordingly, Administration has prepared a 2024 Operational Planning discussion for Governance and Priorities Committee consideration before the budget is presented to Council for approval.

COMMUNICATIONS

Upon finalization the budget information will be published on the website.

IMPLICATIONS OF DECISION

- Supports strategic planning.

FINANCIAL IMPLICATIONS

Refer to the enclosed 2023 Forecast of Budget Expenses for details.

POLICY AND/OR LEGISLATIVE REFERENCES

MGA Section 242
MGA Section 243
MGA Section 283.1

ATTACHMENTS

1. 2024 Operation Planning

Report Prepared By: Rick Bastow, CAO

Approved by CAO:



2024 Operation Planning

Presented to Governance and Priorities
Committee on November 7 & 8, 2023

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Assessments**

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**Sponsorships and
Partnerships**

PART – I

Level of Service Analysis

PART – I

Level of Service Analysis

Operation Budget		2023 Budget	Initial 2024 Forecast	Decrease	Decrease
Expenses:					
	Council	135,632	133,041	2,591	1.9%
	Administration	744,497	728,796	15,701	2.2%
	Fire	55,081	54,814	267	0.5%
	Disaster Service	3,860	3,860	-	0.0%
	By-Law and RCMP	122,914	122,914	-	0.0%
	Public Work	308,326	289,076	19,250	6.7%
	Street & Road	895,630	892,630	3,000	0.3%
	Storm Sewer	91,404	91,404	-	0.0%
	Water	828,795	804,395	24,400	3.0%
	Sewer	259,035	256,135	2,900	1.1%

PART – I

Level of Service Analysis

Operation Budget		2023 Budget	2024 Forecast	Decrease	Decrease
Expenses:					
	Garbage	306,729	276,729	30,000	10.8%
	FCSS	21,275	21,275	-	0.0%
	Cemetery	5,400	5,400	-	0.0%
	Town Beautification	8,650	8,650	-	0.0%
	Planning & Subdivision	71,800	71,800	-	0.0%
	Hall	140,708	136,208	4,500	3.3%
	Arena	334,994	330,494	4,500	1.4%
	Park	193,963	173,963	20,000	11.5%
	Curling Rink	161,970	161,970	-	0.0%
	School Fund & Lamont County Housing Foundation	556,564	556,564	-	0.0%
Expenses Total:		5,247,227	5,120,118	127,109	2.5%

PART – I.I

Recreation Analysis

PART – I.I

HALL

HALL	2017	2018	2019	2020	2021	2022	6yr Average
Revenues	(18,649)	(17,960)	(13,341)	(3,607)	(3,584)	(12,792)	(11,655)
Expenses	140,777	164,232	156,945	133,919	123,299	121,594	140,128
Net P/L	122,128	146,273	143,603	130,312	119,715	108,802	128,472

PART – I.II

ARENA

ARENA	2017	2018	2019	2020	2021	2022	6yr Average
Revenues	(156,802)	(151,979)	(147,079)	(108,889)	(108,821)	(145,929)	(136,583)
Expenses	383,098	351,545	338,747	299,791	245,699	318,830	322,952
Net P/L	226,296	199,565	191,668	190,902	136,878	172,902	186,369

PART – I.III

PARK

PARK	2017	2018	2019	2020	2021	2022	6yr Average
Revenues	(71,486)	(2,825)	(10,425)	(25,790)	(14,305)	(19,348)	(24,030)
Expenses	136,607	108,759	91,704	68,139	147,807	152,984	117,667
Net P/L	65,120	105,934	81,279	42,349	133,502	133,636	93,637

PART – I.IV

CURLING RINK

CURLING RINK	2017	2018	2019	2020	2021	2022	6yr Average
Revenues	(898)	(168)	(600)	(200)	0	(600)	(411)
Expenses	49,118	40,536	43,357	38,450	50,486	40,733	43,780
Net P/L	48,221	40,368	42,757	38,250	50,486	40,133	43,369

PART – I.V

Recreation Analysis

RECREATION TOTAL	2017	2018	2019	2020	2021	2022	6yr Average
Revenues	(247,834)	(172,932)	(171,446)	(138,485)	(126,709)	(178,669)	(172,679)
Expenses	709,599	665,071	630,753	540,299	567,291	634,142	624,526
Net P/L (no Amortization)	461,765	492,139	459,307	401,813	440,582	455,473	451,847
Amortization	80,064	97,229	92,800	109,268	109,268	117,644	101,046
Net P/L (with amortization)	541,829	589,368	552,108	511,082	549,850	573,117	552,892

PART – II

Franchise Fees

PART – II

ATCO



ATCO Franchise Fee	2018	2019	2020	2021	2022	2023	2024
Percentage (0% - 35%)	35%	35%	35%	35%	35%	35%	35%
Annual Franchise Fee	172,541	179,086	170,207	178,497	220,875	220,131	200,516
Monthly Franchise Fee	14,378	14,924	14,184	14,875	18,406	18,344	16,710
Monthly per Unit	16.88	17.52	16.65	17.46	21.60	21.53	20.25
Per Inflation Calculated Amt		17.22	17.63	17.16	18.88	22.21	

PART – II

FORTIS



Fortis Franchise Fee	2018	2019	2020	2021	2022	2023	2024
Percentage (0% - 20%)	5.0%	5.0%	7.5%	7.5%	7.5%	7.5%	7.5%
Annual Franchise Fee	52,920	54,484	78,552	85,372	90,163	92,137	96,369
Monthly Franchise Fee	4,410	4,540	6,546	7,114	7,514	7,678	8,031
Monthly per Unit	5.18	5.33	7.68	8.35	8.82	9.01	9.73
Per Inflation Calculated Amt		5.28	5.36	7.92	9.03	9.07	

PART – II

ATCO + FORTIS

Franchise Fees	2018	2019	2020	2021	2022	2023	2024
TOTAL- ATCO & FORTIS	225,461	229,736	248,759	263,869	311,038	312,268	296,886
Increase (%)		1.9%	8.3%	6.1%	17.9%	0.4%	-4.9%
Increase (\$)		4,275	19,023	15,110	47,169	1,229	- 15,382
Per Inflation Calculated Amt		230,015	231,252	256,371	285,322	319,779	

PART – II

INFLATION RATE PER BANK OF CANADA

<https://www.bankofcanada.ca/rates/related/inflation-calculator/>

Inflation Years	2018	2019	2020	2021	2022	2023	2024
Rates		2.02%	0.66%	3.06%	8.13%	2.81%	

PART – III

Schedule of Fees

Administration will provide an overview and invite discussion

PART IV – SAMPLE MILL RATES & ASSESSMENT Projection



2023 Tax Revenues	\$2,553,230					
2024 Mill Rate Increase(%)	0.00%	0.75%	1.00%	1.25%	1.75%	2.25%
2024 Assessment Increase (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Total Increase (%)	3.00%	3.75%	4.00%	4.25%	4.75%	5.25%
Total Increase (\$)	\$ 76,597	\$95,746	\$102,129	\$108,512	\$121,278	\$134,045



PART – V Sponsorship & Partnership Administration continues to work on establishing sponsorships with third parties, such as Cenovus, local industry, and other corporations.



RICK BASTOW, CAO
TYLER EDWORTHY, DIRECTOR, OPERATIONS & INFRASTRUCTURE
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THANK YOU!

Do you have any questions?