



Town of Borden-Carleton

Special Council Meeting

March 20th, 2023 – 20 Dickie Road

7:00pm

PRESENT:

Mayor Randy Ahearn, Deputy Mayor Larry Allen, Councillor Barb Wood, Councillor Laurel Palmer-Thompson, Councillor Nicole Bernard-Arsenault, Councillor Eric Stewart and Councillor Ashley Steele.

REGRETS:

ALSO PRESENT:

CAO, Jim Wentzell; Accounting and Finance Officer, Henry Le; Administrative Assistant, Joanne Smith

1. CALL TO ORDER:

The Mayor called the meeting to order at 7:02pm. Mayor Ahearn asked the CAO to present the draft budgets and supporting information for the upcoming fiscal year of 2023/24 for the Town, Gateway Arena and Utilities.

2. PRESENTATION DRAFT BUDGETS FOR 2023-24:

CAO Jim Wentzell explained that the purpose of the meeting was for Council to review the Town, Gateway Arena and Utilities operating budgets for 2023/24 before the presentation of the final draft budgets and approval on Thursday, March 30th. The CAO encouraged Council feedback on the proposed budgeted figures and will answer any questions that Council may have on the draft budget projections.

As background to the budget presentation, the CAO indicated that the Town of Borden-Carleton has a population of 788 and an overall tax base of 60 million, with a strong commercial assessment.

Policing and Fire Service, Recreation and Town, Administration, Governance and Planning are the top 3 uses of tax revenue in the Town.

- Police Protection – RCMP, Fire Protection and local EMO organization has an operating cost of \$276,520;
- Recreation for the Town comes in at \$387,980;
- Town Administration and Planning Services costs the Town \$180,900; and

- Street Maintenance – 11 of the Town’s 42 streets are maintained by the Town, including snow removal at a cost of \$143,600.

POWER POINT BUDGET PRESENTATION TO COUNCIL:

The CAO presented a power point presentation.

The CAO presented the Operating Budget for the Town, Gateway Arena and both the Sewer and Water Utilities. He explained how the budget was developed and went through each of the 3 departments.

The big three pieces of the pie are recreation, street maintenance and administration and planning.

**The Town
Administration
Revenue**

The property tax assessment for 2023 is 6.9% higher than 2022’s assessment.

The draft budgets have incorporated a 4-cent increase of both the Commercial and Non-Commercial tax rates to continue raising more funds to fund Capital. The tax increase would be around \$40 annual increase in taxes for the average residence in the Town. Every 1 cent raised is equivalent to \$6,000 in tax revenue.

The Equalization Grant increased by \$6,000 for 2023/24.

The MCEG Capital Grant constitutes a 10% reimbursement on all expenditures incurred on capital projects.

The recommended tax rate increase is based on the current financial landscape. Interest rates are 250% higher than last year, minimum wage rates are up by 9% and fuel, electricity and insurance costs are rising for the municipality.

Development permit fees are a source of revenue. Staff are looking at updating the Fees Bylaw for the Town and revamping of fee structure to offset the costs associated with planning services.

**Administration
Salaries and benefits**

The minimum wage has increased which equates to a 9.5% increase.

Gateway Arena

The revenue generated at the Arena is about half of what is needed to run the facility without a deficit.

The Arena runs a deficit of \$60,000 to \$80,000 per year. Cost of electricity and fuel has burdened operating costs further.

The draft budget for the Arena has a \$10.00 per hour increase incorporated into ice rentals for 2023/24.

Soliciting a corporate sponsor for the Arena would aid in the running of the facility.

Employment grants are used to subsidize the wages of staff for the Arena. It is dangerous to be grant dependent in order to fill the seasonal jobs that are required at the Arena. Even if the grant was no longer available, the need for the position remains a reality for the Town.

Fire Department

Discussion on the financing of a new fire truck as the vehicle is nearing 20 years old. Regulations state that any vehicle over 25 years old should be retired from service.

Public Works

Snow removal in the streets in the Town are in the second year of a 3-year contract.

Discussion on the sidewalks being widened and replaced.

Spring Cleanup was discussed.

A washroom was discussed to go in the shop at the Public Works Shop.* This budget item would be in the capital budget.

Professional Fees

Discussion on the OP and Bylaw review. Funding is available to conduct the review through the Canada Community Building Fund. (CCBF) There are areas of the Town's bylaws that need to be reviewed or re-confirmed. The plan may not require a comprehensive review.

A portion of the Town of Borden-Carleton was designated as a part of the special planning area. This special planning area designation needs to be revisited in a new OP and Bylaw review for the Town.

Utilities Budget

Utility budget is approximately a half million per year, there is a revenue shortfall of \$274,000. (Including depreciation expenses for Utilities)

The water meters need to be examined to assure readings are accurate. The meters may be in need of replacement.

A rate review is recommended for this fiscal year as both water and sewer utilities are running annual deficits.

Discussion on a phased in rate increase for water and sewer utilities.

NOTE: The Town cannot adopt a deficit budget as per the MGA.

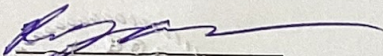
It should be noted that municipalities do not fund depreciation with the tax rate.

3. DISCUSSION ON THE RCMP EXTENDED SERVICE AGREEMENT (ESA):

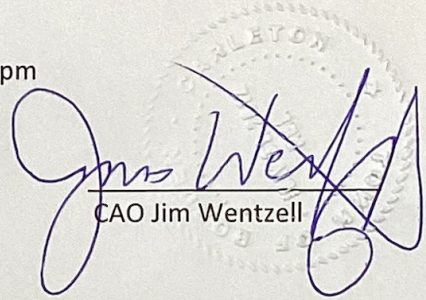
- RCMP are obligated to respond to calls as they are incident command.
- The cost to have the RCMP and the ESA is \$68,000. (net of the tax credit received)
- Municipalities with ESAs receive fine revenues from Criminal Code convictions of provincial offenses, and fines from bylaw charges that occur within the Town.
- The Municipality needs to give a years' notice to leave the contract.

4. ADJOURNMENT:

There being no further business the meeting adjourned at 9:16pm



Mayor Randy Ahearn



CAO Jim Wentzell