

May-05-20

Subject: 2020 Financial Plan Questions

Submitted By: Jim Stinson

Jim Stinson provided a written copy and made verbal presentation to Council. The following sections paraphrase and provide responses to the main key points presented.

Increasing Industry: Have we even allocated an area where industry can locate?

A: The Industrial Park was developed to attract industry to our municipality in 2009. In 2020, the Municipality issued in excess of 200 business licenses for those conducting business within or from the municipality. Our Economic Development officer reaches out to external groups in an effort to increase industry and commercial capacity within the RM and would be happy to answer any additional questions you may have.

Mobile Home Park: Rather than paying taxes the homes within Pineridge Village Mobile Home Park contribute a sum of money to the Municipality for services. This appears to be a rather large sum of money but really is it? When was this last reviewed?

A: The Mobile Home Fees are set forth in By-Law 4-2016. Schedule A indicates that for the 2020 year the Mobile Home Park must pay the municipality a fee of \$ 44.00 per month per lot for each occupied lot in the month. The property the park is located on is liable to taxation on assessed values. At 2016 when the last review of the fee levels was undertaken, Municipal staff conducted an informal survey of other parks in Manitoba and subsequently Council approved a gradual increase to bring the fees to the current market level over the 2015-2020 years.

Grand Marais Trailer Park: The Grand Marais Museum/Building receives an operating grant and collects the rent from the Trailer Park. Did the Municipality receive value for dollar spent?

A: Correct. The Municipality GMCC opened in October, 2010 as part of the Destination Grand Marais Project. The RV Park opened in May, 2012. The facility contains the following:

- *Travel Manitoba Visitor Services Network Centre - a visitor travel center*
- *Lake Winnipeg Aquarium*
- *Grand Marais Area Heritage Wing*
- *RV Park Registration Office*
- *Living360 Centre*
- *Grand Fitness Center – 24 hour gym for a membership fee*
- *Public Washroom*
- *Free Wifi*
- *Public Sewage Dumping Station - during business hours for a nominal fee*

The grounds contain walking paths, picnic benches, a playground as well as the East Beaches Veterans Memorial Garden and the Don Burdeny Memorial Park. It is a gathering place for the community and a public asset which is fully funded by operating revenues, with the exception of an annual operating grant. Under Policy 410 Council recognizes the value of the services provided and may approve grants to support their initiatives on a 'by request basis'.

Conventions: Money being spent on things like conventions are a very arbitrary matter. By Council increasing rather than reducing the budget for conventions sends a wrong message to all. One has to ask money spent on conventions, did we receive value for the dollars spent?

A: On Page 3 – Conventions budgeted for 2020 at \$ 101,500.00 includes the following:

Staff Training Materials & Workshops:

<i>Seminars/Training/Meetings</i>	<i>3,000.00</i>
<i>Chief Administrative Officer</i>	<i>13,000.00</i>
<i>MGR Administrative Services</i>	<i>6,000.00</i>
<i>Finance Officer</i>	<i>3,500.00</i>
<i>Office Supervisor</i>	<i>3,500.00</i>
<i>Administrative Support Staff</i>	<i>5,500.00</i>
<i>Communications Officer</i>	<i>3,000.00</i>

*Memberships – Municipal 21,000.00**

**These are membership fees for the RM to be a part of outside organizations such as MB Good Roads, Association of Manitoba Municipalities etc.*

*Municipal Events/Open Houses 43,000.00**

**Includes annual staff appreciation event, public open houses and included an additional \$25,000 in 2020 for the Manitoba 150th celebrations*

Outside of Public events and memberships Staff and Council training is an important part of staying current in municipal governance and administration. It allows for hands-on training and knowledge, contributing and obtaining up to date information regarding the municipal-provincial-federal advocacy agendas, networking with peers to exchange ideas and gain new insights, discussing solutions and innovations with industry experts, and showcasing our community on the local and national stage. Typically grant initiatives and other upcoming funding opportunities are introduced at conferences and other workshops, this allows us to ready our information prior to when the application periods are opened.

Capital Funding: I believe a new strategy into Capital Funding is drastically required. Are there ways to share resources? Are all these capital projects required?

A: The Asset Management program seeks to identify, quantify, and predict both current and future capital requirements. Opportunities for dissolution, replacement, or other strategies including life cycle costing and multi-year funding options. In 2020 we have budgeted \$ 20,000 to move this initiative forward and hope to have it completed in 1-2 years.

Tourism: \$ 17,000 budgeted under Tourism spent on majority in advertising. Tourism opportunities i.e. Ice Fishing in our area are not receiving the same level of service as in neighboring municipalities.

A: The Municipality created Lake Winnipeg access points for vehicles at Road 103 at Sunset Bay, Road 100 at Balsam Harbour, Road 500 at Beaconia Beach and in Grand Marais at Grand Marais Blvd and Oakdale Ave. NEW THIS YEAR – a large parking lot had been cleared on land at Beaconia Beach. The provision of portable washrooms was also made at a cost in excess of \$ 25,000.

The Municipality considers all types of tourism equally important for the area, and annually sponsors many types of community activities and events which are organized by external groups through our Recreation & Culture grant policies annually, for example; parades, Family Fun days, and specifically ice fishing tournaments.

Water Access: St. Clements is a municipality with 1,000 kms of water front and claims to be the Fishing Capital of Manitoba. Since 2017 \$ 100,000.00 has been budgeted for a boat launch. What is the reason for the hold up, why budget the funds if it is not going to be spent?

A: The boat launch construction was identified and prioritized by Council in 2017. This decision was followed by the formation of a public consultation and work group. As the Destination Grand Marais strategy identified the need for a boat launch in that area that is where the initiative focused. It has been resolved that water levels pose significant difficulty and construction of a boat launch in this area is not cost effective. Currently; Council continues to be dedicated to this project, and is investigating alternative sites throughout the municipality where a boat launch can be constructed. Updates for this project will be available on our website as the initiative progresses.

Utilities – Public Works Wages & Equipment: Funds are budgeted but yet they have been funded through other departments. This area has to be addressed as it is incorrect accounting before the Utilities Board reduces how much the Municipality can charge residents.

A: The Public Utilities Board guidelines specify that a fully and properly priced utility rate should allow an owner to provide utility services more effectively and efficiently in a just and reasonable manner. However, to accomplish this objective requires utility owners to fully account for the “true” costs of operating utilities and to fairly allocate the cost of all shared services (staff time and equipment), shared between the utility and any other operation of the owner. The allocation of Council, CAO, Finance, Management and staff time must be approved by the Public Utilities Board before we can add these numbers into the actual costs. The original PUB Board Order included estimates of these costs in the preliminary approved rates, in 2016 the RM of St Clements proposed a 2% allocation rate, the Public Utilities Board disallowed the calculation and we were ordered to track and monitor actual time, a third party consultant is currently working on the data for presentation to the PUB and this should be resolved shortly.

Colville Road Sidewalk: \$ 300,000 is allocated for building a sidewalk on Coleville Road in East Selkirk. This is a narrow Provincial Roadway and for how many homes and how much foot traffic?

A: A survey of public concerns was conducted in 2015 at the Colville East Open House. Based on public concerns about traffic and pedestrian safety on Colville Road, Council postponed consideration of all new or proposed applications for development until a traffic study could be completed. As Colville Road is a provincial road, Council approached provincial officials to participate in the traffic study. Of the five questions posed to residents, traffic and safety was by far of greatest concern, with over 91% of respondents being very concerned (71%) or somewhat concerned (20%). This was followed closely by walking, biking and rolling with 84% being very concerned (69%) or somewhat concerned (15%). The full document “Summary Report of Colville East Open House Survey Responses, June 2015” is available on our website. Council remains committed to addressing these concerns and is continuing to pursue Provincial participation or any available grant funding for this initiative.

South St. Clements Recreation Facility: The South St. Clements Recreation funding of \$ 4.3 million is a potential killer to our Municipality. Continuing with this project without a business plan is totally wrong.

A: It’s been more than a decade since the old Donald School recreation facility closed its doors. Members of our community have worked hard to develop a replacement for this gathering spot. Over the past few years, a recreation needs assessment and a facility feasibility study gathered input on what residents would like to see for recreation in South St. Clements. The project is budgeted to be funded with a combination of grants, fund raising and borrowing.