

MINUTES OF THE SPECIAL MEETING OF COUNCIL
of the Town of Banff in the Province of Alberta
Town Hall Council Chamber
Monday, December 22, 2005 at 8:00 a.m.

COUNCIL MEMBERS PRESENT

John Stutz	Mayor
Bob Haney	Councillor
Chip Olver	Councillor
Ossi Treutler	Councillor and Deputy Mayor
Chris MacDonald	Councillor and Acting Mayor (attended via speaker phone – arrived at 9 a.m.)
Karen Sorensen	Councillor
Justin Burwash	Councillor

COUNCIL MEMBERS ABSENT

ADMINISTRATION PRESENT

Robert Earl	Town Manager
Kelly Gibson	Senior Accountant
Mary Brewster	Manager of Community Services
Alison Ortwein	FCSS Supervisor
Mike Dobbin	Manager of Operations
Randall McKay	Manager of Planning & Development
Karen Carlson	Manager of Human Resources
Jake Pryor	Environmental Manager
Cheryl Hyde	Municipal Clerk (Recording Secretary)

1.0 CALL TO ORDER

The Mayor called the meeting to order at 8:04 a.m.

2.0 APPROVAL OF AGENDA

2.1. Meeting Agenda

COU05-298 Moved by Councillor to approve the agenda with the following amendments..

- Under Delegations add 3.1 Assessor – Frank Watson
- Under Delegations change 3.1 to 3.2 (the Small Business Association of Banff was not able to attend until 8:45 a.m.)

CARRIED

3.0 DELEGATION

3.1. Assessor – Frank Watson

Watson reported on changes to commercial property assessment beginning in 2006. Starting in 2006, commercial properties assessment will be based on income rather than property value. While the new assessment method will not change the total amount of property taxes collected, it will result in increases or decreases on individual commercial property taxes. Of approximately 197 commercial businesses in Banff, approximately 27 will experience a tax increase. Watson will be hosting a public meeting on January 10, 2006 to explain the changes to commercial property owners, and has scheduled further

private meetings with affected owners on January 12. Revised assessment notices will be mailed afterward.

Administration is recommending that Council adopt a three-year phase-in plan to offset increase in taxes to the 27 properties who will see increased taxes. A decision from Council is required by January 31, 2006. Council requested that administration prepare a report showing percentage and dollar amount increases and decreases for all commercial properties, as well as a summary of what the changes would look like both with a three-year phase-in and with the changes implemented all at once. This report will be submitted at the regular council meeting on January 23, 2005.

Administration further advised that the previous under-assessment of commercial property has resulted in an actual 3.761 to 1 commercial/residential mill rate split on assessed values instead of the 5 to 1 split adopted at incorporation. Council has an option of directing administration to maintain the 5 to 1 split, which will result in a reduction to residential property taxes and an increase in commercial property taxes. Council requested that administration supply the results of a plebiscite held shortly after incorporation which helped set the mill rate split, as well as a survey of what commercial/residential mill rate split is used by other municipalities. This report will also be submitted at the regular council meeting on January 23, 2005.

3.2. Small Business Association of Banff (SBAB)

Rob McIntyre, a director of SBAB, spoke on behalf of his organization. SBAB is pleased with the open budget process, with the opportunity for public input and with the implementation of the three-year budget. McIntyre offered the assistance of the association in providing Council with general input as well as assistance with alternate revenue strategies.

Concerns of SBAB are:

- impacts of Banff Refreshing project
- tax increases
- tourism forecasts
- staffing issues
- water rate increases.

A 3% tax increase for each of the next three years is not acceptable to SBAB, and McIntyre requested that Council minimize spending where possible. McIntyre also recommended that Council direct administration to prepare a status quo budget along with recommendation on service increases or decreases instead having Council make these decision. SBAB requests that administration:

- compare Town of Banff labour costs with those in the community
- undertake an overall assessment of what functions the Town of Banff is performing and why
- identify problems before implementing solutions.

McIntyre reported that information from the SBAB membership is collected informally through conversations between directors and members. Council requested that, in the future, SBAB consider submitting a comprehensive written analysis of the municipal budget with documented input from association members.

4.0 2006 BUDGET

4.1. 2006 Capital Budget Presentation

Administration presented the first draft of the five-year (2006 – 2011) capital budget for review. Rising costs have caused 2005 budget to increase by 60%, causing delay of several projects.

Councillor MacDonald joined the meeting by telephone at 9 a.m.

4.2. 2006 Operating Budget

Mayor Shuler asked each Councillor to indicate their levels of support for budgeted and unbudgeted items. Council unanimously agreed to vote on individual budget line items using a show of hands, with the understanding that any decision may be reconsidered as necessary.

Councillor Sorensen indicated support for the proposed budget as it stands with a 2.77% tax increase. Sorensen further supported:

- \$8,000 request from the Public Library
- \$10,000 increase request from Banff Service Industry Network
- \$6,000 unbudgeted initiative for trail map
- \$5,000 unbudgeted initiative for Town of Banff parade presence
- \$2,500 unbudgeted initiative for tree removal
- \$28,000 unbudgeted initiative for additional recreation centre staffing

Sorensen recommended further debate on allocation of funds to other outside agencies as well as Heritage Tourism, the Special Events Corporation and Banff Lake Louise Tourism.

Council voted unanimously to add the Library Funding request of \$7,953 to the operating budget.

Mayor Stutz recommended that the unbudgeted request for \$52,000 for Cascade Plaza parking be prorated to \$30,000 (or 7/12) in 2006. Administration confirmed that the \$52,000 amount is approximate as the lease has not yet been negotiated.

Council Haney has concluded that reducing the 3% tax increase is not possible, however requested that administration reduce the operating budget by a further .5% in order to include new initiatives.

Councillor Haney indicated support for:

- \$6,000 unbudgeted initiative for trail map
- \$15,000 – \$20,000 for bylaw services to expand services into the evening in the summer
- \$30,000 for Cascade Plaza parking.

Council Burwash put forward recommendations for increasing revenue:

- increase tax certificate revenue by \$500 (unanimous agreement from Council)
- increase parking and traffic fines by \$5,000 each (6 Councillors in agreement; Treutler opposed);
- 1% increase in waster and sewer rates as soon as possible in 2006 rather than delaying the increase to 2007/08 (Council unanimously agreed to consider water and sewer rate increases for the second two thirds of 2006);
- increase in Streets rental and supply of goods and services (parkade revenue) - \$2,500 each (6 Councillors opposed, Burwash in favour)

- increase development permits from \$40,000 to \$50,000 (Council unanimously agreed)

Mayor Stutz recommended increasing projected revenue for transit advertising from \$10,000 to \$15,000 (6 Councillors opposed, Stutz in favour).

Councillor Burwash put forward the following recommendations for reduction in expenditures:

- Reduce Council Initiatives by \$2,000 – (Haney, Sorensen, Stutz, and Olver opposed; Burwash, MacDonald and Treutler in favour)
- Reduce travel for Burwash to \$1000 (6 Councillors opposed, Burwash in favour)
- Reduce Human Resources – Other Initiatives (6 Councillors opposed, Burwash in favour)

Council unanimously agreed to consider only items with more than a \$500 recommended change.

Councillor Burwash recommended the following reductions in the Environmental Management contracted services budget:

- delete \$40,000 for the monitoring of storm sewers and increase the transfer to capital by \$40,000 to implement improvements to storm sewers. (Haney, Sorensen, Stutz, and Olver opposed; Burwash, MacDonald and Treutler in favour)
- delete \$28,000 for a community indicators report update (Haney, Sorensen, Stutz, and Olver opposed; Burwash, MacDonald and Treutler in favour)
- remove \$25,000 for an environmental management system audit: (Haney, Sorensen, Stutz, MacDonald and Olver opposed; Burwash and Treutler in favour)

Council requested that administration submit a report on the reasons for the increase in the Utilities budget for solid waste removal at next meeting.

The next budget meeting is scheduled on December 28, 2005, from 9 a.m. until noon.

5.0 INQUIRIES

There were no inquiries.

6.0 ADJOURNMENT

COU05-299 Moved by Councillor Macdonald to adjourn at 11:54 a.m.

CARRIED

John Stutz
Mayor

Cheryl Hyde
Municipal Clerk

Minutes approved by: _____