



**Municipality of Cambridge Bay  
Special Council Meeting #001  
Monday, February 24, 2020 @ 5:30pm  
Minutes**

<b>Present</b>	<b>Staff</b>
Deputy Mayor Angulalik Pedersen	CAO Marla Limousin
Councillor Wilfred Wilcox	Director of Finance Mosharef Hossain
Councillor Jenna Kamingoak	
Mayor Pamela Gross- by phone	
Councillor Derek Elias	<b>Members of the Public</b>
<b>Excused</b>	
Councillor Sandi Gillis	
Councillor Savanna Moore	
Councillor Candice Pedersen	
Councillor Susie Kemukton	

1. **Call to Order**  
Deputy Mayor Angulalik Pedersen called the meeting to order at 5:38pm.
2. **Opening Prayer**  
Councillor Derek Elias said the opening prayer.
3. **Adoption of Agenda**  
  
**Motion**  
To adopt SCM#001 held on February 24, 2020.  
**Moved by:** Councillor Jenna Kamingoak  
**Seconded by:** Councillor Derek Elias **CARRIED#**
4. **Declaration of Interest**  
None.
5. **Business**
  - a. 2020-2021 Draft Budget

## **INTRODUCTION**

The CAO introduced the 2020-2021 Budget:  
For the 2017/18 budget, when the Director of Finance and I were hired, we developed a budget process with objectives and principles to guide the financial practices of the Municipality.

I am pleased to say that, since then, we have been in a sound fiscal position as a Municipality because of our collective financial management practices.



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We will continue our responsibility to our Council, our community and those that fund us and ensure that all processes that we have in place will continue to meet “Generally Accepted Accounting Principles” (GAAP).

The Budget that we are all working together on creating is an important tool that will guide administration throughout the coming year.

**1.0 Budget Objectives**

- ✓ Prepare a balanced/surplus budget;
- ✓ Develop a participatory budget that will identify any red flags, cost reductions and potential cost savings initiatives/awareness; and
- ✓ Be based on actual costs of operation & maintenance.

**2.0 Guiding Principles**

- ✓ Exceed the existing service level expectation;
- ✓ Improve customer service;
- ✓ Identify and incorporate efficiencies
- ✓ Sound practices to asset management; and
- ✓ Prioritize infrastructure investments.

**3.0 Review of Assumptions**

a) Salaries & benefits:

- ✓ Salary, VTA and Northern allowance will increase by 2% (2020 Collective Agreement will be renegotiated and effective September 2020);
- ✓ Long service bonus @1k for the employees who have reached the final step of their pay grids and have completed 6 continuous years of employment;
- ✓ Extra cushion of 5-10% for additional cost for sick/vac leave/ leave payout, pay step increase, OT etc.

b) Legal Obligations

- ✓ Cost of renegotiation of Collective Agreement (20K)
- ✓ Cost of potential Arbitration (25K plus legal fees and arbitration fees)

c) Grants and Contributions: CGS Municipal Funding based on the funding letter from CGS. (We do not know the formula they use). Third party projects are based on the approval of the amount requested in the submission and in some cases we expect them to remain the same as the current year unless otherwise stated in



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the budget. All contracts and 3<sup>rd</sup> party funded projects managed by the Municipality will be self-balanced.

\*Item for consideration: St. Michael's Crisis Shelter is continuously underfunded and we are in a deficit. We are currently negotiating with the department for an increase in funding to cover the costs of operation.

d) **Water and Sewage Revenue:** Maintain current rates for water/sewer services in the 2020/21 Budget. Marginal increases into the revenue stream expected from the occupancy of units currently in construction in the North Subdivision. We will need to closely monitor the revenues and expenses and should a deficit be occurring we will need to discuss strategies of reducing the incurring deficit.

e) **Other considerations:**

- I. Assume the same amount of revenue as in the previous year in the 2020/21 budget unless otherwise stated;
- II. Expenses projected based on actual requirements of the departments;
- III. Fees and Charges will remain the same for the time being. We will be undertaking a study to update the existing User Fees and Charges/rates commensurate with cost of the service and consolidate into a ByLaw dedicated to user fees.( ie. Rates ByLaw).
- IV. Council initiatives and strategic planning considerations;
- V. Increased recreation costs because of cost overruns, which diminishes operating fund;
- VI. Programs and Special Projects will be self-funding;
- VII. With a tighter budgeting process, and continual monitoring of budget (including program) surpluses are expected to increase the Municipal operating fund balance.

#### **4.0 Challenges:**

The Finance Department has faced several challenges in monitoring the budget activities for the Healthy Living contracts and programs as the Department continues to expand. The need for trained/qualified staff and assuming new programs, requires our continued evolution of our financial and asset management systems.

#### **5.0 How Due Diligence Occurs in the Process**

The Budget undergoes multiple layers of review from micro to macro level.

a. **Process to date is:**



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- ✓ Departmental Preparation and Review;
- ✓ Line-by-Line Departmental Review with the Director of Finance;
- ✓ Detailed Departmental Review/Corporate Overview with SAO;
- ✓ Council's Review of Draft budget;
- ✓ Changes/modifications in the draft budget as suggested by Council.
- ✓

**b. Next steps after this meeting:**

- ✓ Council approves final budget on March 2<sup>nd</sup> by Resolution;
- ✓ Submit budget to CGS after Council approval.
- ✓ April 1, 2020 Budget Rollover;
- ✓ Monthly Departmental/Programs Variance Analysis Report Review with the Directors/Managers;
- ✓ Finance Committee's Quarterly Variance Analysis Report Review; and
- ✓ Ensure that the actual expenditures are within the approved budget/3<sup>rd</sup> party contracts.

The Director of Finance presented the 2020-2021 Draft Budget.

Council will bring forward ideas for the budget at the RCM007 on Monday, March 2<sup>nd</sup>. Request that Administration highlight capitol items in the budget for that meeting. Council also requested that an overview of the item project and the recreation centre planning be adopted to RCM#007 Agenda.

6. **CAO's Report**  
None.
7. **Around the Table**  
None.
8. **Adjournment**  
**Motion**  
**To adjourn SCM#001 at 7:10pm**  
**Moved by: Councillor Wilfred Wilcox**  
**Seconded by: Councillor Derek Elias**



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<i>Pam G</i>	<i>M. Limousin</i>
Mayor Pamela Gross	CAO Marla Limousin
Date: <i>April 27, 2020</i>	Date: <i>April 27, 2020</i>

