



12/15/2020

Town of Norman Wells Operational and Capital Budgets 2021



Introduction

The Town of Norman Wells considers resident engagement, accountability, fiscal prudence, and transparency as fundamental components for a healthy budget process. By building a budget process around these components, we can better identify and analyze relevant economic and social factors that shape the capacity of a municipal budget. It is clear that there is a call for greater and more accessible transparency and communication with residents.

The following is a Budget as prepared by Council and Management. Department Managers advocated for the needs of their areas of responsibility, as well as members of the Management team focused on what is feasible and necessary for the Community.

We have taken a “proactive stability” approach to building the 2021 budget. In recognition of the financial challenges faced by residents and businesses due to the Covid-19 Pandemic, Town Council directed staff to prepare the 2021 Budget with no tax increase.

The Draft 2021 Operational Budget for consideration is \$8,231,978, which is \$466,400 less than the 2020 Budget. Given the Town has restarted most of its public services and reopened most facilities, we will need to continue to manage costs closely.

In 2020 there were delays of some capital projects, which now flow into 2021 for completion. Overall, the Capital Plan has been increased by \$3,824,000 to \$6,138,000. Capital expenditures in 2021 are expected to be \$5,840,000.

While Norman Wells received \$102,225 in Pandemic Recovery Funding from the Territorial and Federal governments, on a per capita basis that amount is significantly less than other municipalities are sufficient/not sufficient to cover our revenue shortfalls. We will need to be very prudent throughout 2021 to ensure the Town’s financial position in future years is sustainable.

The Town remains deeply committed to implementing a community Inclusive Community Plan, a new Zoning By-Law, a long-term Recreation Plan, a long-term Economic Development Plan, Landfill, and town legacy clean-up, and completing Jackfish Lake upgrades.

The Town of Norman Wells continues to identify ways we can cultivate connections with Indigenous Communities and others for whom a meaningful relationship and understanding can create a healthier, supportive Community overall.

In 2020, The Norman Wells Advancement of Equity and Inclusion Committee was adopted by Council. This is a Community initiative that will help us transform our internal structures to equitably serve our diverse Communities.

Going forward, as circumstances change, we will be ready to reduce costs further if needed, leverage external funding to further economic and community recovery, and look to further address services gaps and advance priority initiatives

Town of Norman Wells Council

All council meetings are open to the public. For more information, dates, and agendas of meetings, visit normanwells.com/townhall. To learn more about Mayor and Council, and their role in the Community, visit normanwells.com/mayorandcouncil.



**Mayor
Frank Pope**



**Deputy Mayor
Alexis Peachey**



**Councillor
Pascal Audet**



**Councillor
Jean-Paul Bernard**



**Councillor
Jim Boyle**



**Councillor
Trevor Smith**



**Councillor
David Wever**

Mission Statement

The Town of Norman Wells' mission is...

To ensure that everybody in the Town of Norman Wells has the opportunity to succeed, raise a family and stay long term.

This will be accomplished by ensuring that Norman Well:

- *Is a clean, growing community with good jobs*
- *Has quality, accessible healthcare and education*
- *Maintains its role as the hub of the Sahtu therefore we need quality facilities here*
- *Thinks regionally in regards to transportation and government*
- *Asserts its right to talk with Federal, Territorial, fellow regional and northern municipalities and Aboriginal Governments*
- *Is an inclusive equal opportunity organization*
- *Is a future focused, progressive regional leader*
- *Is economically sustainable into the future with a diverse economy and realistic forward looking goals (long term economic diversification).*

The mission statement for the Town of Norman Wells is meant to define the purpose of our organization. It defines why the organization exists, who the Town serves, and how it will go about providing service. It also establishes some priority areas for service delivery.

Vision

Our vision is...

The Town of Norman Wells has a diverse economy and is a place of equal access and opportunity which values sustainable growth, safety, community engagement...for all residents and visitors. We see our community as being a welcoming regional hub which works with the other Sahtu communities for the benefit of our Town and the region.

The vision statement of the Town of Norman Wells is meant to provide a clear image of where the organization is heading over the next decade or two. It is meant to capture the spirit of the organization and to inspire its staff and partners to work towards a vibrant future. This vision reflects the hopes for the Town of Norman Wells for the future.

Goals

Goal #1:

Create a strong organizational environment that supports and values its employees, thereby ensuring that the organization will be ready and able to respond to the needs of the community.

Goal #2:

Support and promote a strong, dynamic, and innovative local economy.

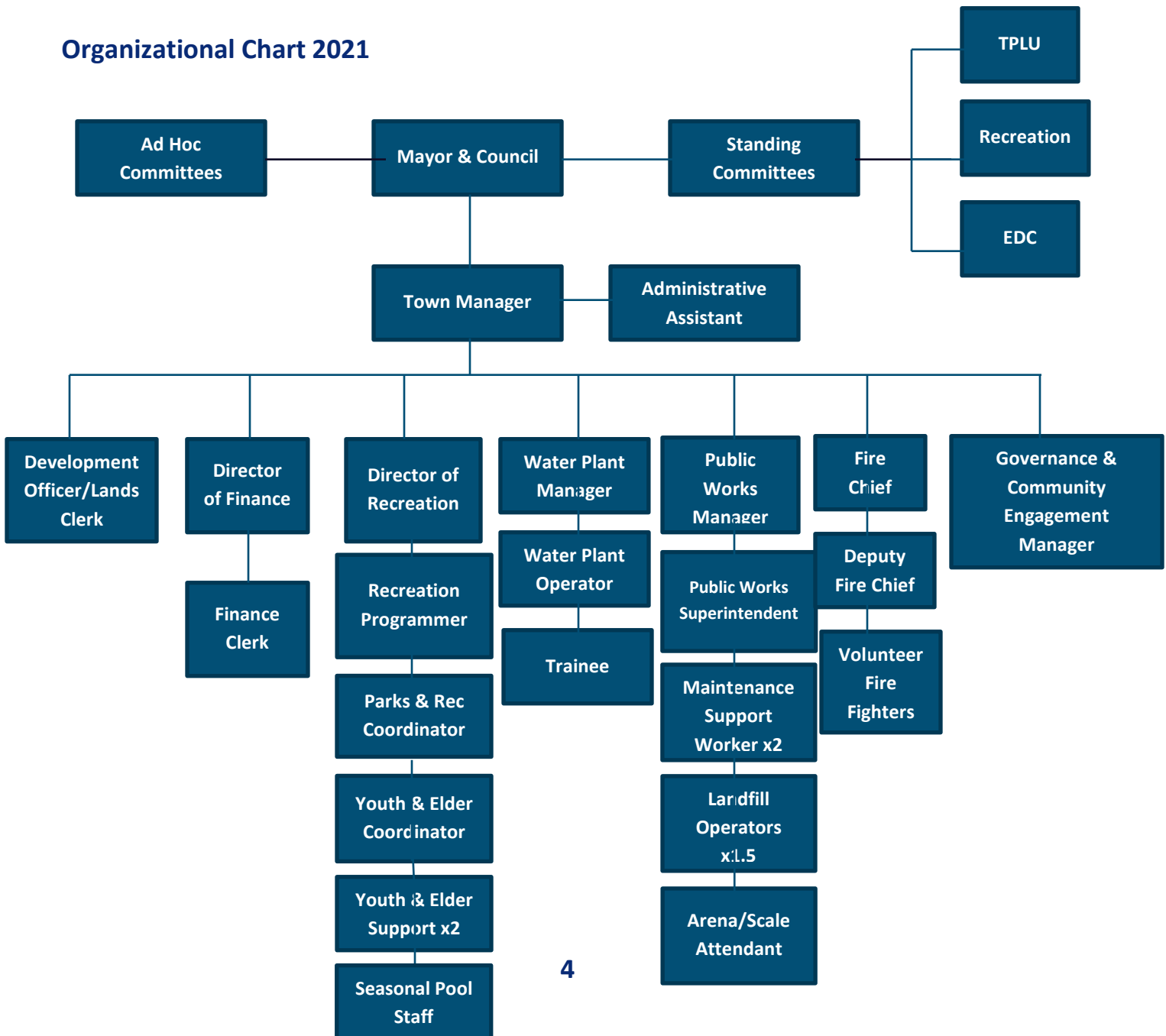
Goal #3:

To promote a caring community where people can make strong connections with others and lead safe, healthy, and productive lives.

Leadership Team

Cathy Clarke	Town Manager	senioradministrativemanager@normanwells.com
Alex Millette	Recreation Director	recreationmanager@normanwells.com
Hugo Pabke	Water Utilities Manager	utilitiesmanager@normanwells.com
Kayla Turner	Community Engagement & Governance Manager	governance@normanwells.com
Johannie Lapierre	Lands/Development Officer	developmentofficer@normanwells.com
	Finance Manager	financemanager@normanwells.com
Randy Sinasac	Fire Chief	firechief@normanwells.com
Alex Millette	Public Works Manager	publicworksmanager@normanwells.com

Organizational Chart 2021

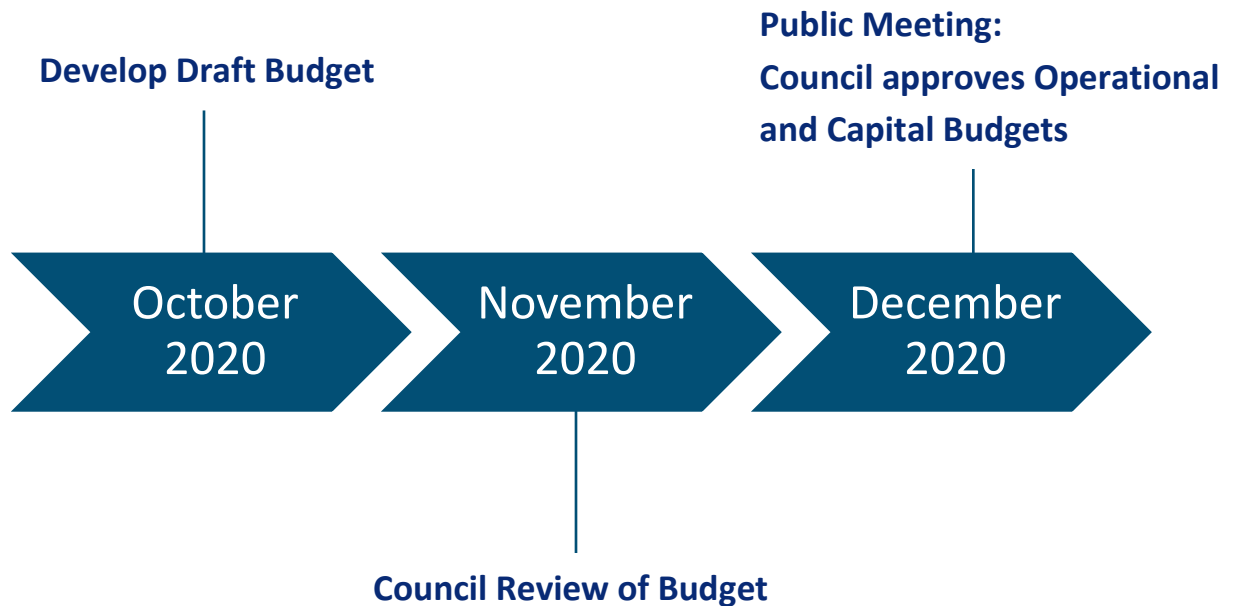


Budget Process

Each year Town staff prepare annual operating and capital budgets for Town Council Consideration. The annual budgets are in alignment with and reflect the long-term vision and mission for the Town established in Council's Strategic Plan.

The Budget for 2021 was presented to Council in November 2020. Departmental service plans were developed, with each area aligning their work and resources to support Council Priorities. A Public Meeting to help inform the development of the Budget was held on December 15, 2020.

Annually, the draft budget is presented for Council consideration, and once Council's deliberations are complete, a final budget is approved.



DEPARTMENTAL BUDGET NARRATIVES:

PROTECTIVE SERVICES:

FOCUS IS PRIMARILY BASED ON BUDGET REDUCTION ON EVERY LINE OF OPERATIONS. REDUCTIONS BASED ON ACTUALS (SOME OF WHICH ARE DIRECTLY RESULTANT TO LIMITATIONS IN 2020 DUE TO COVID RESTRICTIONS) AND ARE FURTHER TAKEN INTO CONSIDERATION AND PROJECTED FOR 2021.

OTHER REDUCTIONS AS RESULT OF REACHING STATUS OF UP-KEEP SCHEDULE OF PERSONAL PROTECTIVE EQUIPMENT, AND UPGRADES UNDERTAKEN DURING PAST YEAR.

OPERATIONS REDUCTIONS:

- TRAINING: 50%
- EQUIPMENT R&M: 30%
- MATERIALS 5%
- VEHICLE R&M 5%
- PROTECTIVE EQUIP. 40%
- PROTECTIVE CLOTHING 25%
- HONORARIUM 25%

Increases primarily due to CPI:

- Power 5%
- Heat 5%
- Communication 5%
- Fuel 5%
- Water 5 %
- Telephone 5%

Operational additions, / eliminations include Full time by-law enforcement position. Approx. cost 70k, (keeping in mind the combination of costs previously associated with animal control to be eliminated / rolled into by-law position, 20k reduction.

Some funding availability for COVID-19 compliance issues which have been ongoing with present part time position.

This position is currently involved in overlapping departments for compliance issues relating to building maintenance, public works and parks and rec.

All other lines remain status quo per 2020 budget, with estimated savings of 100k. Operational reductions have been realized by rotational update/purchases on required protective equipment. Ongoing maintenance of personal protective equipment / equipment R&M to be maintained by

replacement schedule opposed to wholesale end of life replacement. E.G. bunker gear has usable lifespan of 5-10 years, rotational replacement of 2-3 sets annually for upkeep to status quo as opposed to 15 new sets at end of lifespan.

Staffing / Leadership change options have been briefly outlined and can carry further impact on operational budget with change expected spring 2021. Further report, options and discussion for direction can be done in January 2021, included but not limited to replacement of fulltime chief through posting, with overlap of writer's tenure for operational consistency.

Change in format of operations with fulltime chief to that of volunteer (part-time) with appropriate pay grade, chief /operations, chief / administration.

CAPITAL EXPENDITURES

Fire apparatus: 500k (possible post RFQ 250k, half on order half on completion) 2021-2022

Station door replacement: 50k carry over from 2020

Staffing change: elimination of dog catcher, combined service on full time by law enforcement, (animal control) COVID-19 compliance etc.

UTILITIES DEPARTMENT:

The Utilities Department's budgeted revenue for 2021 is in line with budgeted revenue for 2020. Over 65% of the utilities department's budget is fixed, this includes the cost of water delivery and sewer pump out which is set by the town's Water & Sewer contract, the cost of heating the various utilities buildings and the cost of power. The town's Water and Sewer Contract rate is staying the same from 2020-2021 to 2021-2022. The utilities department is set up to be staffed by a manager and 2 operators. We currently have a manager, an operator and a trainee working in the utilities department. Our trainee is working towards completing the training and coursework required to become a certified operator. The only significant change from last year's budget to this year's budget is the inclusion of a \$100,000.00 contingency to the operational budget for use in case of emergencies.

Utilities Department Capital Requests 2021

1) Hydrant Box Replacements (\$50,000.00 - 2021)

The utilities department purchased new above ground hydrants last year. We are planning to begin installing these new hydrants in the summer of 2021. This money would allow the purchase of new hydrant boxes as needed as well as new Storz fittings and hardware for the hydrants.

2) Lagoon Berm Upgrade (\$75,000.00 - 2021)

A portion of the west lagoon berm was washed away during the spring last year. There has been a temporary fix with some large rock placed in the berm. Over the years the west berm has been built up

using shale without raising the level of the clay core in the berm. I would like to raise the level of the clay core in the berm to prevent future washouts of the berm.

3) Heating System (Water Treatment Plant) (2022-2023)

The heating system including boilers, glycol piping, heat exchangers and unit heaters are all original to the water treatment plant. We have had to replace both boilers and a glycol pump at the raw water building which was built at the same time as the water treatment plant. One of my serious concerns is the glycol piping in the water treatment plant. I am unsure of our ability to repair the glycol piping in an emergency. The priority for replacing heating infrastructure at the plant is replacing the existing glycol piping. I would also like to begin looking at the price to replace various other parts of the existing heating system.

LANDS DEPARTMENT:

Community Plan and Zoning by-law renewal project:

Adoption, public consultation, and implementation in 2021. The updated Community Plan document itself will provide funding opportunities and include an implementation plan. The update of the legislation will facilitate the permitting process and answer the population's needs for flexibility and safety. The by-law enforcement officer will help to ensure the by-law is respected. The coordination of the implementation plan will require seeking for grants and quotes as well as project management so that the objectives are reached, and the tasks are completed within the timeframe. Adding signage and beautify targeted areas for example are a simple and efficient way to enhance the town ad show order in its development.

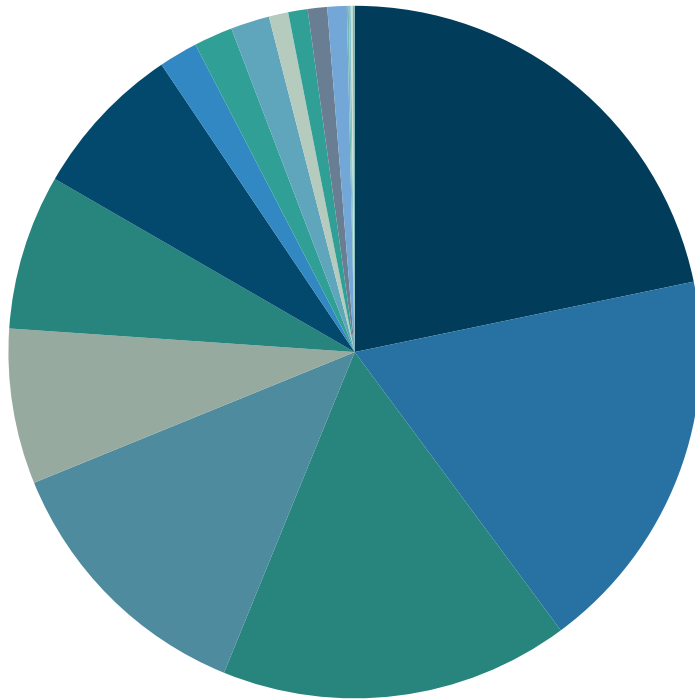
Land Promotion and Public Education:

Accessibility to information and improvement of the customer service. Multiple strategies like on-site signs, house numbering campaign, pamphlets in mailboxes and on social media will be used to provide information on the lands are available for sale or rent, on how the Town can support the population with their development projects and on the different requirements and exemptions. The updated website will permit user friendly and visually attractive content.

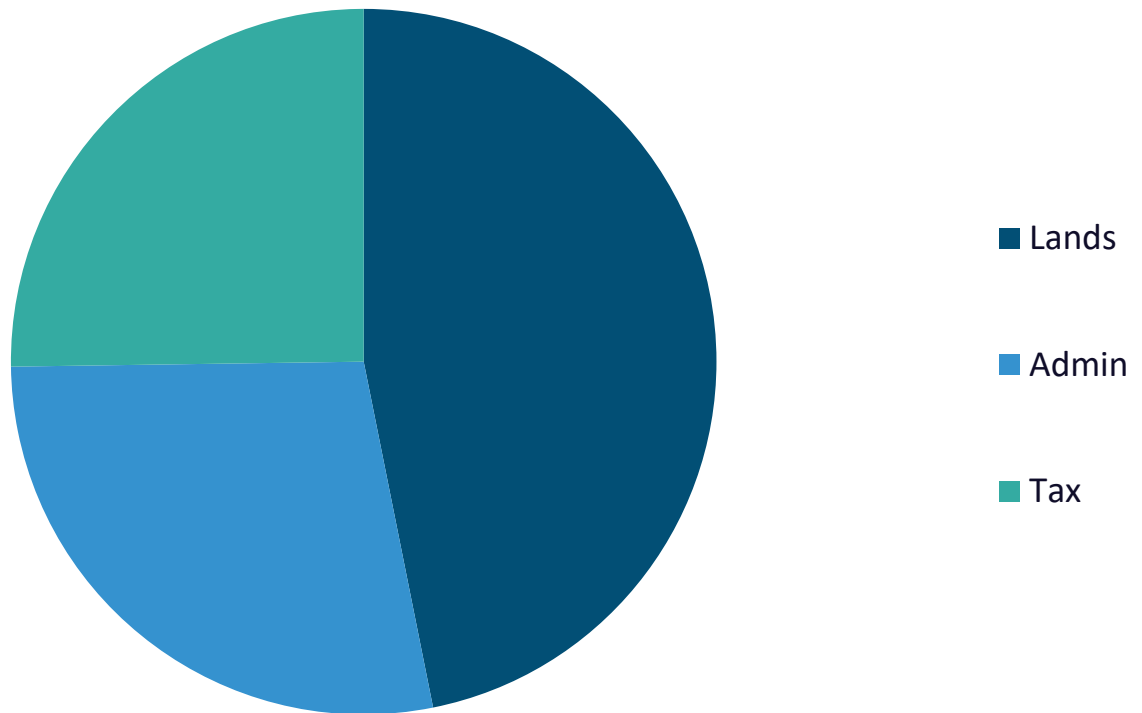
Assessment and Taxation:

Processed yearly. In 2021, more accompaniment might be required in result of the economic difficulties during the pandemic. Offering follow-ups and payment plans to the property owners and moving forward with the procedure on the tax arrears are necessary actions to ensure everyone's fair contribution.

Review 2020



- Community Plan and Zoning by-law renewal: review, public engagement, meeting with consultants
- Tax process: Issue tax notices, GIL, Senior tax relief, arrears, payment plans
- Sage: training, data entry and review
- 16 Development permits (double from 2019)
- Solid waste management by-law: writing, public engagement
- Assessment process: review of the roll, Board of Revision
- Enforcement/compliance with the legislation
- Land disposal
- 28 Council meetings and documentation
- 10 Town planning committee meetings and documentation
- Research & customer service
- Writing of operations manual
- Filing: update electronic and paper data base
- Support to other departments
- GNWT leased properties issues
- 1 lease with GNWT (gazebo)
- Transfer of land
- Town leased properties follow-up



PUBLIC WORKS DEPARTMENT:

The public works department has seen major changes this year but overall, they were successful in putting the department in the right direction. The department has been operating at full capacity this year, this has not happened often in recent history. With more staff and resources available, we seen a higher level of service take place compared to previous years.

Here are some major notables from the 2020 budget:

- Equipment and materials stocks were increased to help with the previous depleted inventory.
- More work was taken in house which allowed for more costs control on certain operations.
- Some higher vehicle and equipment costs because of the larger staff and increased usage.
- Fully staffed public works crew has helped bring more work in house cut costs. This has meant the level of service to the community was greater than recent years.

Going into the 2021 budget, we are looking at continuing and improving that same level of service. We have focused on continuing to expand the resources and tools to help our staff each day. Staffing the landfill and focusing on implementing the recommendations from the Milestone report will also be a big undertaking.

Here are some notes to highlight for the 2021 budget:

- Continue with the same level of service and working to improve it where needed.
- Implementing landfill study recommendations.

- Continuing to keep the department fully staffed.
- Building on the tools and resources inventory.
- Expanding training opportunities for staff.
- Filling the manager position and the additional landfill personnel positions will allow the level of service to continue and more improvement work to be completed. Especially at the landfill which will see more focus in 2021.
- The addition of a new Bobcat will now allow the departments to be more flexible with workloads and cut costs on the existing one as that sees high use.

The public works department has taken a big step forward this year. That is a testament to the resiliency this team has, and it has set the department up for more growth and success in 2021.

RECREATION DEPARTMENT:

It has been tough year for recreation with the ongoing COVID-19 pandemic. But through it all the staff tackled the obstacles in front of them. From virtual programming to the reopening of the facilities, the staff has done a phenomenal job adapting to the ever-changing environments we are currently in. While we see less operations because of COVID-19, we realized the importance of investing in programming through staff, materials, and resources.

Here are some notes from the 2020 budget:

- Operating costs were lower because of closures and restrictions.
- Grants and other funding sources did not decrease this past year.
- Closures have allowed us to work on some infrastructure projects funded through gas tax.
- This shutdown has really allowed the department to update maintenance that was lacking in certain facilities.
- The recreation master plan project was able to see more focus and development, this plan will help the department in 2021 and years to come.
- Covid-19 has shown us the importance of outdoor facilities and programming, investment in them for 2021 will become a focus.

Going into the 2021 budget, we know COVID-19 will continue to influence what we can and cannot do next year. The big focuses going into the new year will be rolling out the recreation master plan recommendations once that is done, increased and improved programming, and improving outdoor facilities such as parks and playgrounds.

Here are some highlights from the 2021 budget:

- Continuing to sustain the department size to help rollout programming and facility operations.
- Decrease in funding for big gathering events because of COVID-19 measures.
- Pool will remain closed as logistics are difficult for staffing and restrictions because of COVID-19.
- There is no expected decrease in funding through grants and other sources.
- Improving outdoor facilities and parks has become a focus.
- Making the necessary investments in current infrastructure, while starting to build a case for funding for new facilities.

- Using the recreation master plan and building assessments as vital tools to get more funding for new facilities.

Even though the community will still feel the effects of COVID-19 next year. The recreation department will be focused and improving and growing what we can do, rather than worry about what we cannot. The team is ready to power through and help deliver essential recreation services to the community that are very important in difficult times like now.

GENERAL ADMINISTRATION:

This department is responsible for the collection of all revenues, payments, and administrative support and management for the Town of Norman Wells, Mayor, and Council.

Expenses:

Many of our costs are fixed, as in we have no control over them either by necessity, legislation, or Town Employee Policy.

As such, it includes the salaries and benefits (benefits packages are an additional 30% on top of salaries). We do have a grid for each Town position which is brought forth to Council annually for a Cost-of-Living increase as per Town Policy. We have requested at 1.6% increase on the grid for 2021.

Administrative Staff:

- Senior Administrative Officer
- Finance Manager
- Finance Clerk
- Administrative Assistant
- Lands/Development Officer
- Governance and Community Engagement Manager

Revenue:

- No proposed tax increases
- IOL substantially increased last year
- Sensitivity of community members and businesses therefore attempting to maintain status quo
- A proposed 5% increase to the following because of cost increases:
 - Business Licenses
 - Lottery Fees
 - Power
 - Heat
 - Fuel
 - Telephone
- Tax collection has been good, payment plans well subscribed

- **Utilities collections poor, payment plans poorly subscribed**
- **Interest rates low and fluctuating**
- **External funding has been stable, and the Town is expecting more Covid-19 subsidy**
- **Every department is looking for grant support where applicable**

Current Mill Rates:

- **Commercial, Aviation, and Navigation: 9.30 Mills**
- **Undeveloped Commercial: 21.90 Mills**
- **Industrial: 14.20 Mills**
- **Hydrocarbon Industrial: 26.50 Mills**
- **Pipeline: 26.50 Mills**
- **Residential: 5.89 Mills**
- **Undeveloped Residential: 13.13 Mills**
- **Recreational: 5.89 Mills**
- **Institutional: 6.01 Mills**