

Krista Gardner Councillor Report

January 2025

Jan 6th – Subdivision Authority Meeting

Jan 13th- Special Council Meeting

Jan 15th- Downtown Façade Improvement Program Cheque Presentation

In my role as Deputy Mayor, I was pleased to join Councillors Mckeag-Reber and Faulkner along with CAO Losier and EDO McIntosh to present Hayduk Lumber & Hardware with a cheque for their participation in the Downtown Façade Improvement Program. The updates and new fencing to their yard look fantastic!

Jan 16th- Alberta Municipalities Meeting

Jan 16th- Webinar: Grants and Your Municipality

Jan 16th- Capital Region Southwest Water Services Commission Meeting

The Board authorized Administration to conduct up to \$50,000 worth of hazardous materials testing from the line maintenance budget in response to a concern raised about possible asbestos contamination in the walls of a building where Commission-owned infrastructure is located. We also tasked Administration with writing a letter to EPCOR requesting they accelerate building the secondary supply line to Beaumont. Following the last board meeting, Administration has created a list of emergency repair items with lengthy lead times and has ordered \$82000 worth of those items to be prepared in case of need, allowing us to respond quickly to repairs. The Board also formally adopted the 2025 Final Operating Budget as presented, with total revenues and transfers from reserves of \$11,028,115 and total expenditures and transfers to reserves of \$11,028,115 and the 2025 Capital budget with a combined budget of \$5,230,349 less any carry forward adjustments as part of the year end process. We also accepted in principle the 2026-2027 forecasted Operating & Capital Budget. Financial statements are being finished and the audit is beginning shortly. Full details will be included at the AGM in April.

Jan 17th- Leduc, Nisku & Wetaskiwin Chamber of Commerce Luncheon- 2025 Economic Update with ATB Chief Economist Mark Parsons

It is a challenging time to make forecasts- largely due to the “What will Trump do” effect Inflation is forecasted to be around 2% in 2025. The Bank of Canada will likely make three more cuts to interest rates, but our economy is still going to struggle due to structural issues (low productivity, low business investment). Interest rates won’t go back to pre-COVID rates – the Bank of Canada will need to keep rates higher than pre-COVID levels to keep inflation at 2%. Experts suggest that Canada’s low exchange rate already incorporates the risks of US tariffs and Canada’s low productivity rates. Therefore, unlikely for Canadian dollar to fall lower. Mr. Parsons is forecasting that the Canadian dollar will be around 71 cents in 2025. President Trump hates that the US has a trade deficit (more imports to the US than exports out of the US). The US trade deficit to Canada is only \$40

billion of the US's total \$750 billion trade deficit with all countries combined. Alberta's risk exposure to President Trump's tariff promise is primarily linked to oil. If oil was exempted from the tariffs, then Alberta's tariff exposure would be the same as BC (low). The TMX pipeline came online in May and is resulting in high oil exports to Asia, which gives us some insurance against US tariffs, but that pipeline will be full in a couple of years, and we will need more pipeline capacity to meet demand for oil by other countries. Residential investment is high (construction of new homes), but real business investment is below 2014 levels. Alberta had a major population surge in 2022 compared to other provinces. Alberta is beating every province in net interprovincial migration (more people moving to Alberta from each province vs. people leaving Alberta to each province). Higher unemployment rate in Alberta but people are still coming here - People are chasing affordability in housing. The surge created a gap between Calgary and Edmonton where home prices increased to a \$200K difference for a benchmark home. In the last year, Edmonton prices have started to rise to close the gap. Population growth in Alberta will slow from 200,000 people per year to around 100,000 this year and then slow further if Canada follows their immigration plan --- any additional growth in Alberta's population will then depend on interprovincial migration. Majority of people moving to Alberta are ages 15-39 resulting in a very young province compared to demographics in other provinces. Alberta's higher unemployment rate is a result of the population surge and Alberta's labour market being challenged to employ all the new people Oil Boom. Investment in upstream oil and gas business has significantly declined but Alberta is starting to attract investment in downstream oil and gas Other Sectors. Data centres and LNG is going to drive future growth in Alberta. Calgary has the fastest growing tech sector in North America over the last 5 years. There is too much uncertainty to forecast Canada's economic future. Three potential scenarios: 1. If President Trump proceeds with 25% tariffs on Canadian exports to the US and Canada counters with its own tariffs, then Canada will fall into a recession. 2. A more likely scenario is the US will implement a lower tariff (e.g. 10%) and that will still allow Alberta to grow and avoid a recession 3. A more optimistic scenario is the US implements a small tariff and Alberta sees major investment in specific projects (e.g. new data centres, Pathways Alliance's proposed carbon capture and storage network).

Jan 20th- Pembina River District 3 Meeting (Counties and Municipal Districts through Rural Municipalities of Alberta) as Alberta Municipalities Representative

Jan 20th- Regular Council Meeting

Jan 21st- Policy and Bylaw Committee Meeting

The PBC discussed in depth the Town's current Snow removal policy and ways to improve it while also considering linkages with the proposed Winter Sidewalk Maintenance Program Policy and our expectations and enforcement of residential sidewalks.

Jan 22nd- Alberta Interim Police Advisory Board Meeting

Jan 29th- Alberta Municipalities Small Communities Committee Meeting

Jan 30th- Alberta Municipalities Board Meeting

Jan 31st- Committee of the Whole Meeting