

Minutes from the Town of Olds budget discussions held on Monday, November 28, 2011 in the Council Chambers, Olds Town Office at 4:30 p.m.

ELECTED OFFICIALS in Attendance:

In the Chair Mayor J. Dahl.

Councillor M. Ball, Councillor W. Bearchell, Councillor A. Bull, Councillor D. Bennett, Councillor M.J. Harper, Councillor Harvey Walsh

STAFF in Attendance:

Norm McInnis, Chief Administrative Officer; Terryl Allen, Director of Corporate Services; Barbara Hill, Director of Community Services; Larry Wright, Director of Operational Services; Lorne Thompson, Director of Protective Services; Scott Chant, Manager of Public Works and Utilities; Kelly Giesbrecht, Parks and Facilities Foreman; Marnie Ragan, Grants Administrator; Nita Bartholow, Finance Manager; Samantha Saretsky, Strategic Affairs Manager; Roxanne Latour, Operational Services Administrative Assistant; Debbie Godfrey, CAO & Council Assistant.

1. Call To Order.

Mayor Dahl called the meeting to order at 4:30 p.m.

Director Allen reviewed budget changes that have taken place since the Policies and Priorities Committee meeting of November 21, 2011:

Capital Budget – updates: town hall roof project has been removed; Recreation Complex forced air heating system has increased from \$100,000 to \$150,000; the RCMP Flooring project has been reduced to \$20,000; the cemetery columbarium has been removed from the capital budget and added to the operating budget; sewer camera project has been reduced.

Operating Budget – updates: received confirmation of the RCMP addition of \$75,000 into operating revenue; a \$1,000 ask from Citizens on Patrol has been added; Municipal Enforcement has seen \$9,000 for a vehicle lease that was not spent in 2011 carried forward into 2012; the COLA has been updated to 3.4%.

Net amount is the same: operating budget for 2012 is \$64,671 revenue over expenses. We are in a better position than a balanced budget.

Director Allen briefly reviewed the amortization options.

Level of Service: is the same as previously provided; not a major increase or decrease in service.

Community Services – same level of service, fully staffed in 2012;

Protective Services – no change in the level of service for Disaster, Protective and Municipal Enforcement, an improvement on efficiencies; Community Peace Officer level 1 by spring;

Operations – holding bottom line, recruiting staff to fill vacant positions, review of some priorities and working with GIS group, infiltration reduction, continue to collect data on areas for improvement, blue bin collection system, commercial recycling program.

General discussion: Consumer price index for Alberta and the calculation used to determine COLA; historically used the November date.

Natural Gas Franchise Fee is to be used for arts and culture funding. Those funds are used in the: Evergreen Centre, Museum, Library and second to last year commitment to the CLC for funding.

Seniors programs and services are cultural funding; maintenance of the structure and facility.

The Library funding request requires further discussion; the library finance meeting is tomorrow night.

Corporate Services: service levels are to stay the same; intention and plan is to move forward with an electronic management system – virtual town hall.

Office of the CAO is to concentrate on the strategic level of the operation; significant level of service changes for 2012: Phase III for promoting Olds and work with Central Alberta TV is looking for some certainty and will add to the social fabric to the community; four FTE in the Office of the CAO.

OICRD is responsible for economic development the liaison is through the office of the CAO.

Council Service Level: Mayor Dahl reviewed the work she and the Manager of Strategic Affairs has done with Council Business Plans and reporting of items on the business plans; electronic format; level of service – comparable to previous years; important for Council to educated on what they do; allotted amount of money for education that requires approval.

Council priorities – which projects have been included?

Community Services – operating budget - work with Museum \$25,000; special events budget - reallocated – where we might identify opportunities for seed funding; increase for the Kiwanis music festival funding; Olds Fashioned Christmas enhance the parade.

Operational Services – Museum in the uptown redevelopment – open up access through old high school site; tourist information centre uptown redevelopment process; lighting-receptacles-streetscape -add curb cuts for handicapped-sidewalk repairs locations-train crossings-led light sign boards-update gateways signs-paths-67A to 67 Avenue-sidewalks and path identified in the 2012 capital; capacity limitations that exists in the construction market.

Trail development: Director Hill reviewed the budget and expenditure on trail development for the last 5 years; 2011 funding has gone into a reserve, the work was not done because of contractor availability.

Signs: Fair Trade presentation, concerns addressed by May of 2012, strongly suggest something be done prior to the May celebrations. Director Hill advised that work will begin early in the year.

Operational – signage- new opportunities on supply side; Olds Fibre Ltd. Advised that additional fibre drops could be at specified sign locations, spend money wisely.

IPSO Reed determined that citizens would rather see a reduction of service levels than a tax increase; depreciation; don't see any impact on service levels in the budget put before Council.

Recessed the meeting at 5:44 p.m.
Reconvened the meeting at 6:03 p.m.

Director Allen, handed out the Ten Year Capital Plan, for review; a discussion will be held at another date to review the Ten Year Capital Plan.

Amortization choices

Director Allen reviewed the options for funding depreciation of the utility assets:
Water options; Wastewater options; Water Volume; Wastewater Volume.

General conversation: on the requirements for funding depreciation.

Things that need to be considered:

Need to question water increases

Analysis how wastewater operations will change in the future

Reduce service levels to fund depreciation

Is it reasonable to take some steps this year to fund depreciation?

Council requested more details (a bigger picture); what is in reserve, how long can depreciation be funded from reserves. 97 million in assets; 41 million is the accumulated amortization.

The Tangible Capital Asset Policy will be sent to Council; allocate some time to discuss Policy; CAO will work with Mayor Dahl to understand what information Council is looking for.

Moved by Councillor Bull, to adjourn the budget discussion.

Motion Carried 11-73

The budget discussion adjourned at 6:55 p.m.

Mayor Judy Dahl, Chairman

Norm McInnis,
Chief Administrative Officer

Minutes adopted January 16, 2012.