



2025 FINANCIAL REPORT



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INTRODUCTION

The 2025 Financial Report builds on the **2024 inaugural document**, summarizing the Town's 2024 financial position and providing a summary on how we are planning to improve our financial prospects in 2025 and beyond.

Through our corporate planning efforts, the Town has distilled its goals into 3 categories:

1. Infrastructural Renewal
2. Fiscal Resilience
3. Long Term Planning

This report is structured around these overlapping themes.

THE CHALLENGES

For the last 25 years, the Town of Olds has focused on building new projects and delivering more services at the expense of maintaining existing infrastructure and funding the operation of new assets. This has resulted in a significant debt load, decrease reserves, runaway expenses in our water and sanitary systems, and a large infrastructure deficit. Additionally, the Town has had to face several specific challenges since 2019 that contribute to the current financial situation.

SNDL

With the opening of Sundial Growers in 2019, the Town saw its revenue increase by about \$1 million annually. This revenue was integrated into our core operating expenses, through service enhancements and lowering taxes. When Sundial Growers (now SNDL) closed in December 2023, the Town lost its single largest source of revenue and had to simultaneously raise taxes and decrease service levels.

PROVINCIAL DOWNLOADING

Since 2019, the Government of Alberta has decreased capital funding to the Town of Olds by about \$1 million while increasing our RCMP costs. Most recently, the province increased the Education Property Tax collected and passed on to homeowners by 17% in 2025, with similar increases projected in upcoming years. And these are just some examples of how the current provincial government continues to put more financial pressure onto local communities and their governments.

O-NET

O-NET (aka OFL LTD) consumed the bulk of the Town's legislated debt limit for a decade. Despite the Town loaning and guaranteeing approximately \$19 million to O-NET, the corporation was not able to compete and grow its subscriber and revenue base. During the 2020 forbearance process, the Town spent approximately \$1.2 million of its cash to complete the transfer of the corporation from the Olds Institute to the Town of Olds. From 2022 – 2024, the Town spent another \$585,000 supporting O-NET to keep the organization solvent, with several million more required to stabilize it over the next 5 years. It was not sustainable.

REGIONAL WASTEWATER COMMISSION

In 2014, the Town joined the South Red Deer Regional Wastewater Commission (SRD) at the direction of Alberta Environment. This is one of the largest wastewater commissions in North America, connecting the towns of Olds, Bowden, Innisfail, Penhold, and Red Deer Country to the City of Red Deer's wastewater treatment plant. Previously, the Town used a lagoon discharge system, which is common across rural Alberta. A wastewater commission is more expensive to operate than sanitary lagoons, which means higher utility bills. More significantly, it increases costs for municipalities with deteriorating sanitary lines, as external water that enters the system is unnecessarily sent to Red Deer for treatment.

TAX REVENUE

Over the last 20 years, despite the Town taking on new debt, dealing with inflationary pressures, and building a substantial infrastructure deficit, the Town's tax revenue did not increase to adequately fund these obligations. Too many assets were built or bought without raising the adequate revenue to properly fund them.

OUR SOLUTION: BACK TO BASICS

Our financial path forward is grounded in a return to our essential responsibilities:

1. Reduce our debt load
2. Invest in existing infrastructure over building new
3. Rebuild our reserves to stabilize future capital needs
4. Realign our service levels with available revenues

These steps are not just about recovery; they are about setting a course where Olds can thrive through fiscally stability, sound infrastructure, and responsible growth.

We hope you find the following report relevant and worthwhile. Thank you for taking the time to read and support the Town of Olds to become an even better version of itself.

Sincerely,

Town Council and Staff

EXECUTIVE SUMMARY

The 2025 Financial Report presents a comprehensive overview of the Town of Olds' financial condition and strategic direction. Following several years of financial strain, 2024 marked a critical point. The Town undertook bold but necessary actions to reset its financial trajectory, including the sale of O-NET, debt reduction measures, infrastructure reinvestment, and the divestment of non-core municipal properties. These actions reflect a renewed commitment to long-term financial sustainability, service alignment, and operational accountability.

The report is structured around three key focus areas: Infrastructure Renewal, Fiscal Resilience, and Long-Term Planning. These pillars guide how we manage assets, spend public funds, and plan for growth.

- Infrastructure efforts have concentrated on reducing water loss and inflow & infiltration, which have historically cost the Town over \$2 million annually. Early data shows these investments are yielding measurable improvements.
- Fiscal resilience is being restored through disciplined debt reduction, moving from 65% to just over 50% of the legislated debt limit, and by developing policies to guide future borrowing.
- Long-term planning has centered on optimizing land use, ensuring all Town-owned properties serve a clear public purpose. This included the strategic sale or repurposing of underutilized assets, generating revenue and facilitating community and economic opportunities.

Benchmarking data confirms that Olds collects less revenue and spends less than peer communities, resulting in service and infrastructure gaps. Addressing this will require ongoing tax and utility rate adjustments, realistic service level expectations, and tax base growth through economic development.

Through rebuilding financial strength, aligning services with resources, and preparing for a more resilient future, the Town is on the road to financial renewal.

2024 FINANCIAL PERFORMANCE

2024 was a year of financial transition for the Town of Olds. It marked the culmination of difficult but necessary decisions, including the sale of O-NET and adjustments to core operations. The following overview is intended to assist with understanding the Town's 2024 financial statements, which can be viewed [on the Town's website](#).

FINANCIAL POSITION

The Town's capacity to fund its operations and deliver future services is assessed using two key performance indicators outlined in the Statement of Financial Position.

FINANCIAL POSITION	2024	2023	2022	2021	2020
Financial Assets	18,598,499	29,351,019	31,029,867	33,234,880	35,292,824
Liabilities	31,945,821	34,589,386	36,528,890	38,318,466	38,480,668
Net Financial Debt	(13,347,322)	(5,238,367)	(5,499,023)	(5,083,586)	(3,187,844)
Total Non-Financial Assets	101,088,792	99,615,105	97,771,486	101,187,003	95,317,568
Accumulated Surplus	\$87,741,470	\$94,376,738	\$92,272,463	\$96,103,417	\$92,129,724

NET FINANCIAL ASSETS (OR DEBT)

This measure indicates whether financial means are available to settle existing obligations to external parties as well as assist with providing future services. The Town's year-end Net Financial Debt balance of \$13,347,322 indicates that liabilities exceed the financial assets. In simple terms, the Town is relying on future revenues such as taxes, grants, or user fees to pay for commitments already made. This is not uncommon for municipalities to operate with some level of net financial debt as large investments are generally made in long-term capital projects (like roads, water systems, or facilities) that will benefit the community over time.

ACCUMULATED SURPLUS (OR DEFICIT)

This measure represents the net economic resources of the Town at the date of the Financial Statements. It represents the cumulative results of past operations both surpluses and deficits and includes the Town's non-financial assets (tangible capital assets). As of December 31, 2024 the Town of Olds reported an accumulated surplus of \$87,741,470, which includes \$82,915,639 in equity tied to Tangible Capital Assets.

STATEMENT OF OPERATIONS

The Statement of Operations presents the revenue and expenses of the Town on a consolidated basis, which includes both operating and capital activity. This statement provides additional performance and accountability measures.

FINANCIAL ACTIVITIES	2024	2023	2022	2021	2021
Operations					
Revenue	27,719,726	27,621,683	25,973,267	24,033,357	24,587,230
Expenses	31,172,714	29,921,752	32,571,019	25,370,668	25,007,999
Deficit from Operations	(3,452,988)	(2,300,069)	(6,597,752)	(1,337,311)	(420,769)
Capital Revenue	(3,182,280)	4,404,344	2,865,373	5,311,004	2,425,454
Surplus (deficit)	(6,635,268)	2,104,275	(3,732,379)	3,973,693	2,004,685

SURPLUS (OR DEFICIT)

This measure helps show whether the Town of Olds brought in enough revenue during the year including grants, developer contributions, and donations to cover its expenses.

While the Town reported a \$6.6 million overall deficit, this was largely due to the sale of O-NET at a financial loss of \$7.8 million. This decision, though difficult, was made to reduce future risk, restore borrowing capacity, and exit a non-core business activity that was testing our financial viability. Excluding this one-time transaction, 2024 reflected a relatively stable year operationally.

As such, a single year's surplus or deficit doesn't always reflect the full picture, since some differences can be caused by non-cash items (like asset depreciation) or the timing of when money is received and spent especially for major capital projects. Looking at trends over time gives a better sense of the Town's overall financial health.

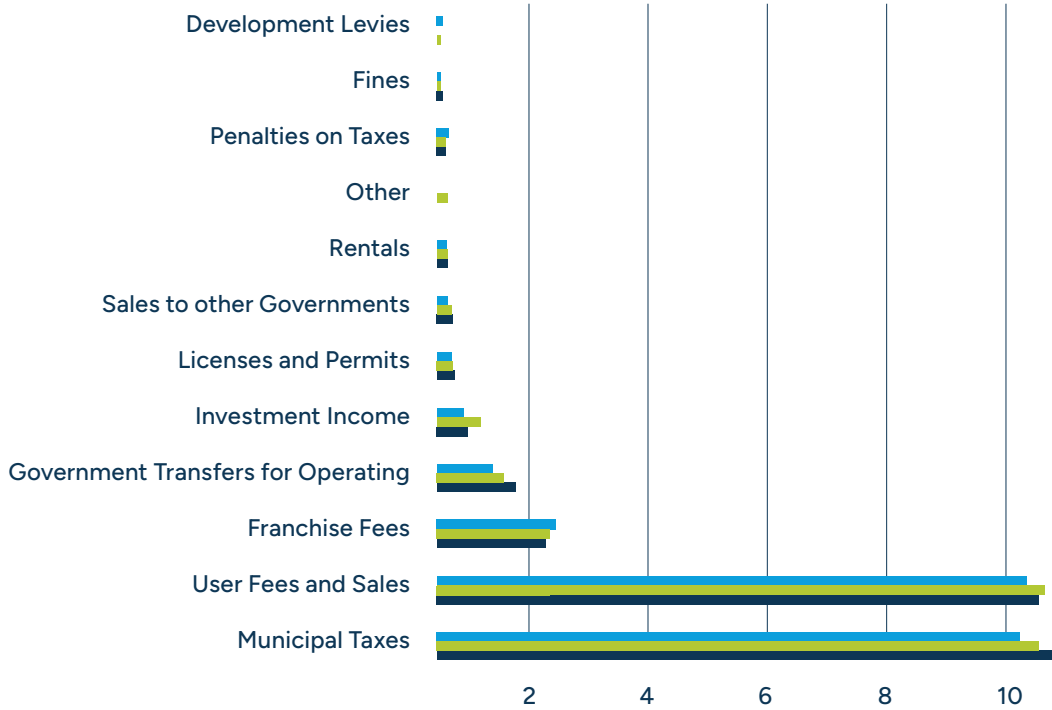
REVENUE

In 2024 total revenues increased slightly by just over \$134K. Municipal Taxes are the biggest revenue source for the Town of Olds and increased by 5% (+\$510K) in 2024. User Fees and Sales decreased slightly but remain the second-largest source. Government Transfers for Operating was up \$210K (+13.5%), due to ongoing projects utilizing grant funding and Investment Income dropped \$250K (-24%), due to lower interest rates and the write off of the interest portion of the Town loan to O-NET.

REVENUE BY SOURCE

For the year ended December 31 (in millions)

● 2022 ● 2023 ● 2024



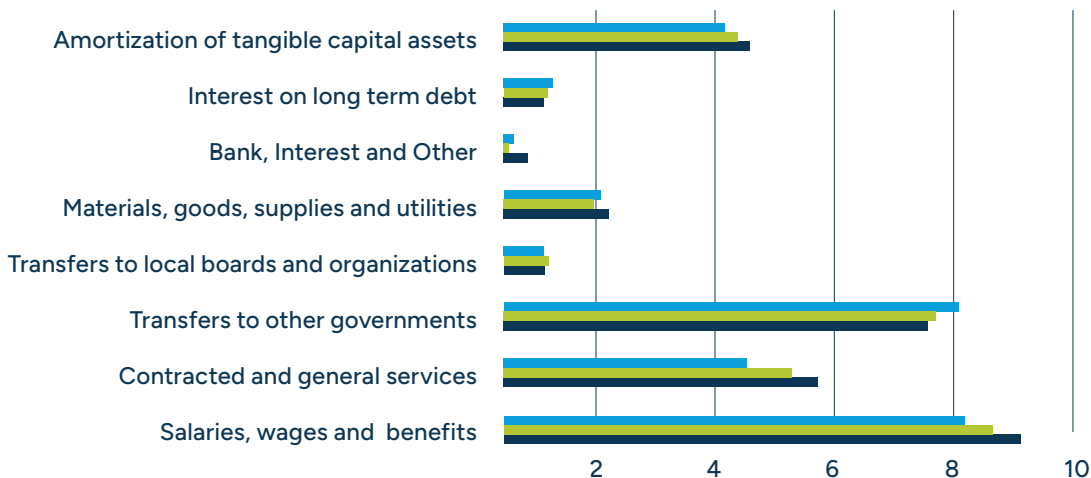
EXPENSES

In 2024, the Town of Olds spent \$31,172,714 to deliver municipal services—an increase of about \$1.3 million (+4.31%) compared to 2023. The primary factors driving this increase were budgeted increases for 2 new positions to support our focus areas of asset management and public works, and increases to our repairs and maintenance budget lines, including road repairs, utility dig restorations, catch basin repairs, and sidewalk and trail maintenance.

EXPENSES BY SOURCE

For the year ended December 31 (in millions)

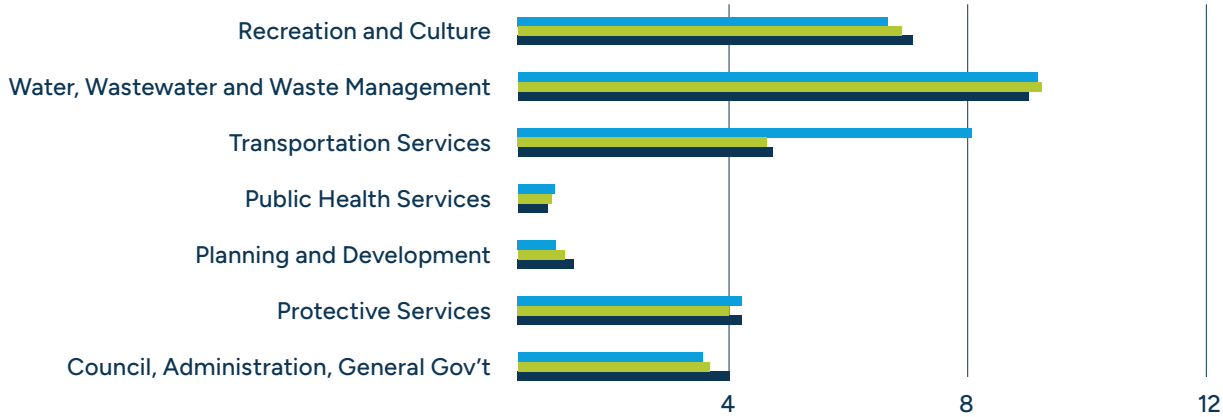
● 2022 ● 2023 ● 2024



EXPENSES BY FUNCTION

For the year ended December 31 (in millions)

● 2022 ● 2023 ● 2024



TAXATION AND ASSESSMENT

TAX DOLLARS

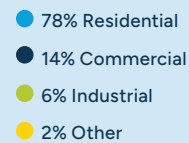
The Town's budgeted expenditures and transfers are used to determine the municipal portion of the property taxes. Property taxes are used by the Town to pay for services and programs for residents and the community as a whole.



ASSESSMENT COMPOSITION

Assessment means the total value of all property in a municipality. Generally, municipalities with larger commercial and industrial assessment values are considered more financially healthy. While Olds does better than many in this area, attracting more industry to town is a primary goal.

2024 Assessment % Split



RESERVES

Reserves are funds that the Town of Olds has set aside for specific future needs, such as replacing aging infrastructure, funding major capital projects, or responding to unexpected emergencies. These reserves act like a savings account with a purpose and each one is earmarked for a particular use, based on council-approved plans or legal requirements. By maintaining reserves, the Town can reduce its reliance on debt, manage financial risk, and ensure that key services and projects can be delivered without sudden increases to taxes or service fees.

RESERVES	2024	2023	2022	2021	2020
Operating	2,118,944	2,006,553	2,223,605	3,013,538	3,294,464
Capital	5,313,992	5,991,447	6,578,192	6,673,006	6,342,587
Total	\$7,432,936	\$7,998,000	\$8,801,797	\$9,686,544	\$9,637,051

Since 2020, the Town undertook several major capital projects that required reserves to be used either directly (to fund a project) or indirectly (to fund other projects due to debt limit maximization). Major projects in the last five years include Rotary Park, Operations Centre, Highway 2A Roundabout, Highway 27 and 70 Ave Upgrades. Since 2023, reserves have largely been used to fight our water loss and inflow and infiltration problem and replace aging equipment and facilities.

The \$7.4 million reserve balance is too low for a municipality our size and we need to increase these amounts over the next five years. However, we need to be realistic given our needs to invest in deteriorating infrastructure and other assets; net contributions are expected to resume in fiscal year 2027.

IN SUMMARY

The Town of Olds ended 2024 in a challenging but more realistic financial position. While the year included a significant loss tied to the sale of O-NET, it also marked the beginning of a reset, where financial decisions can now be made with greater discipline, accountability, and in alignment with long-term goals.

These financial outcomes reinforce the need for continued cost control, debt reduction, and careful prioritization of capital projects in 2025. They also provide a more accurate baseline for building a sustainable long-term financial strategy. As we move forward, the lessons of 2024 will serve as both a caution and a catalyst, reminding us that sustainability requires not just managing the numbers, but making strategic decisions about what we fund, how we deliver services, and how we want to grow.

BENCHMARKING

Benchmarking refers to the practice of comparing the Town's financial indicators against municipalities of a similar size. While this is not a financial strategy, it is a valuable exercise that allows us to assess how our financial performance compares with other similar municipalities. These comparisons help identify strengths, highlight areas for improvement, and inform decisions on taxation, service delivery, and infrastructure investment.

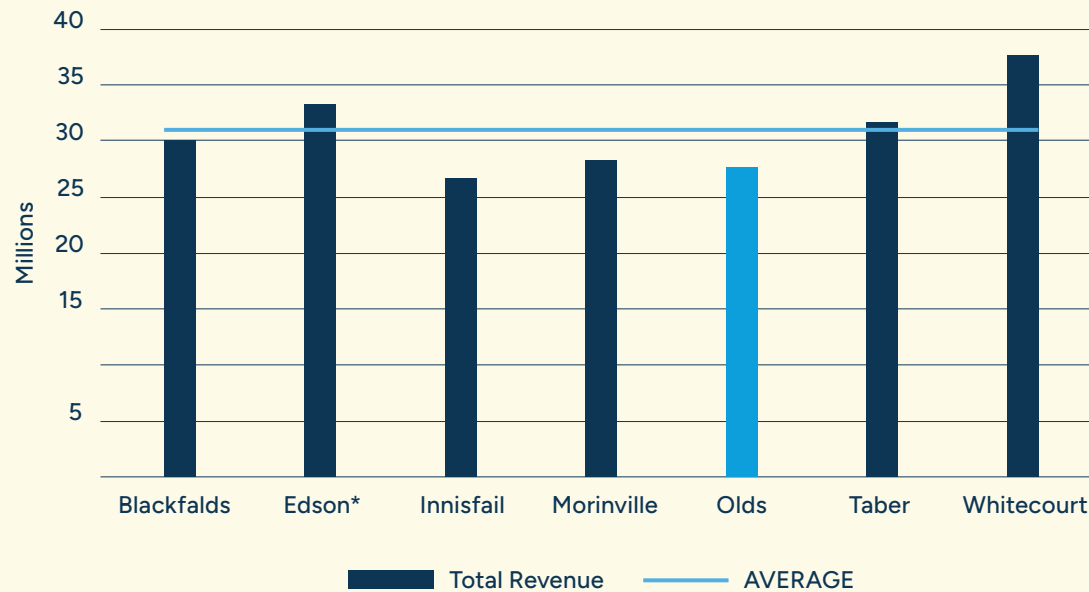
The information contained in this section is taken from the audited financial statements from the following municipalities. This data is publicly available from Alberta Municipal Affairs:

http://municipalaffairs.alberta.ca/mc_financial_tax_bylaws

- Blackfalds
- Edson*
- Innisfail
- Morinville
- Taber
- Whitecourt

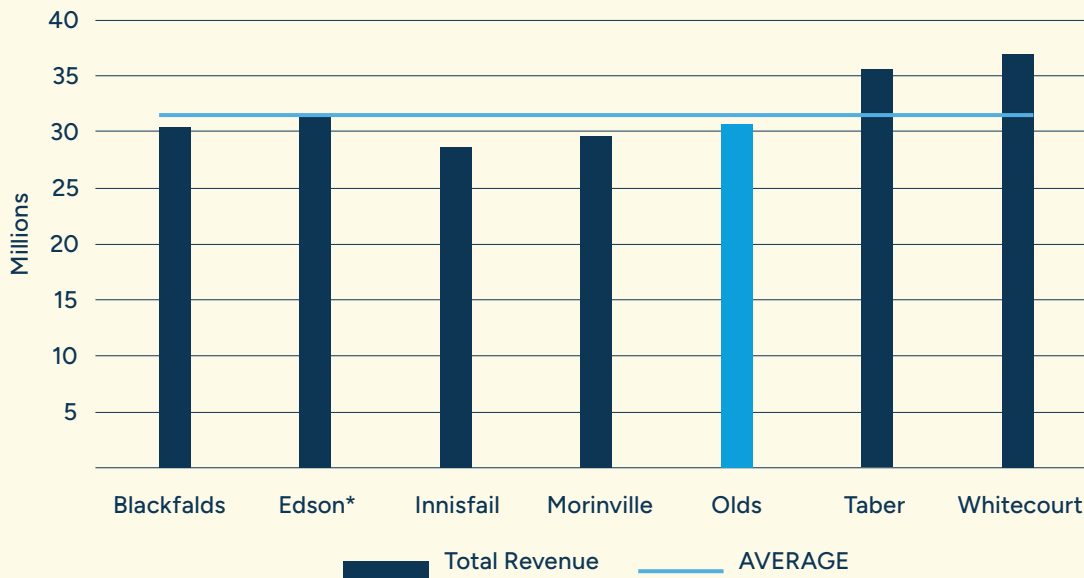
*2024 financials not available at time of publishing; 2023 financial statements were used

TOTAL REVENUE



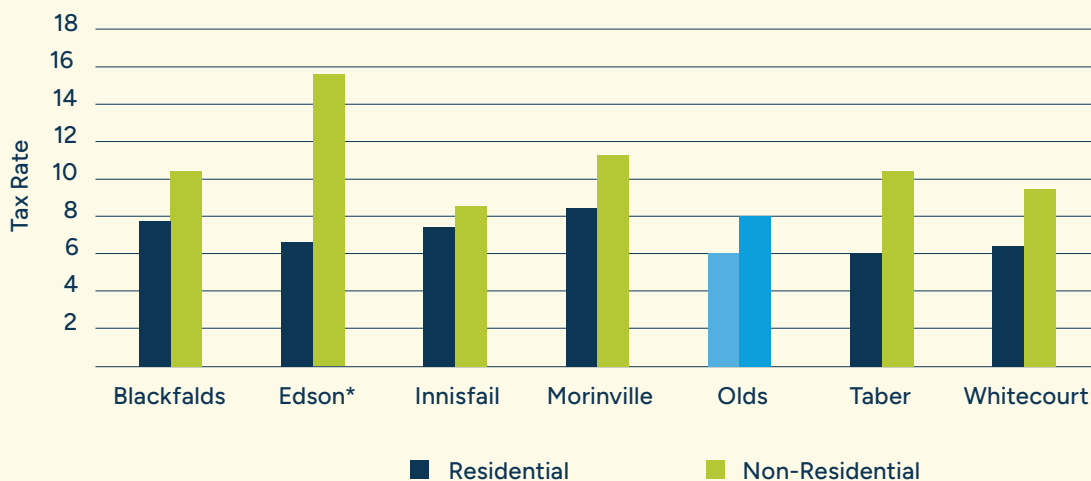
- **Conclusion:** Olds collected over \$2 million less in revenue from all sources (property taxes, utility fees, franchise fees, grants, transfers, etc.) than its peer group in 2024.
- **Effect:** It is more difficult to fund core services and infrastructure needs of a community our size without sufficient revenue.

TOTAL EXPENSES



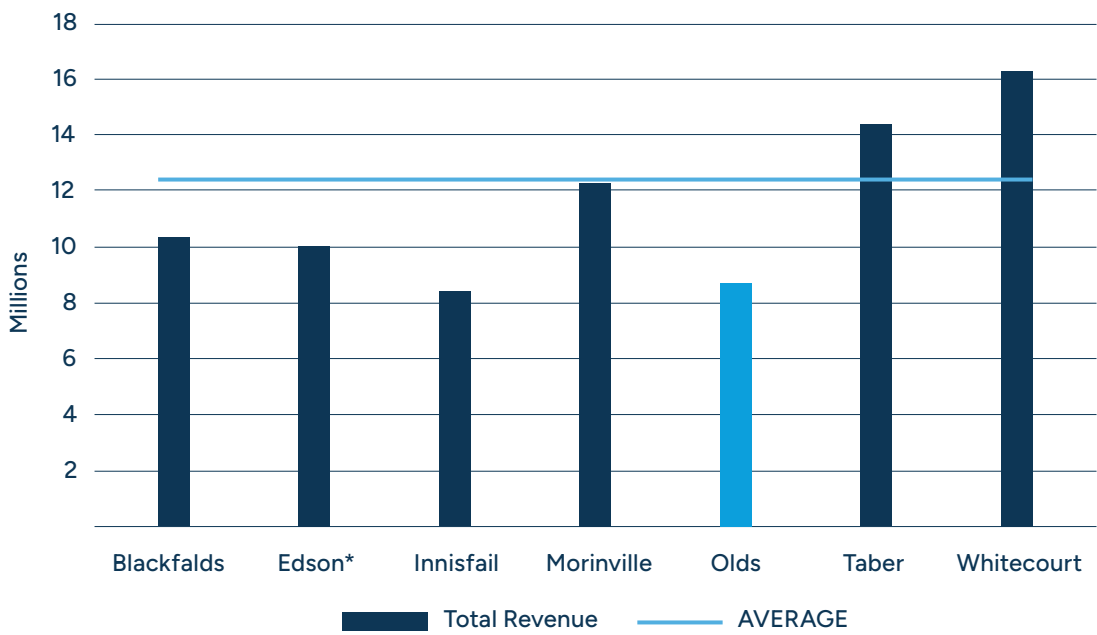
- **Conclusion:** Olds spends over \$1 million less than its peer group.
- **Effect:** Services and infrastructure are not receiving the levels of investment seen in other communities our size.

TAX RATES



- **Conclusion:** Olds' tax rate is 22% lower than its peer group for residential properties and 26% lower for non-residential ones.
- **Effect:** Olds is a tax competitive community for homeowners and businesses.

STAFFING COSTS



- **Conclusion:** Olds spends over \$3 million less in salaries and benefits than its peer group.
- **Effect:** The Town cannot maintain comparable levels with these communities with significantly fewer personnel resources.

IN SUMMARY

These comparisons underscore the importance of aligning service expectations, infrastructure needs, and available resources. As the Town refines its corporate and financial plans, this data will inform decisions around taxation, staffing levels, and infrastructure investments to ensure long-term sustainability.

2025 FINANCIAL FOCUS

As the Town of Olds continues its financial recovery, 2025 represents a pivotal year for reinforcing stability and laying the groundwork for long-term success. While operational improvements and cost control remain important, our focus is shifting toward the foundational elements that will shape our financial future. This section outlines three critical areas that form the backbone of our financial strategy: **Infrastructure Renewal**, **Fiscal Resilience**, and **Long-Term Planning**.

These pillars are interconnected and reflect a broader shift in how the Town approaches decision-making.

Infrastructure Renewal is about more than fixing roads or replacing aging equipment—it's about building reliable systems, processes, and tools that ensure our assets are safe, sustainable, and appropriately funded. **Fiscal Resilience** speaks to the Town's ability to manage economic uncertainty, improve financial flexibility, and reduce reliance on debt over time. **Long-Term Planning** provides the structure and foresight to make informed, responsible choices that consider future service levels, population changes, and evolving community needs.

Together, these focus areas reflect a more intentional and proactive approach to municipal finance. Each requires discipline, coordination, and clear priorities. They are not short-term fixes but investments in the long-term health of the organization and the community it serves.

While 2025 will continue to present challenges, particularly in managing limited resources, the work outlined in the following sections signals a turning point. By prioritizing infrastructure, strengthening our financial position, and embedding long-term thinking into our processes, we are creating a more resilient foundation for the years ahead. These efforts will not only benefit current residents but will ensure that Olds is prepared to meet the expectations of future generations.

INFRASTRUCTURE RENEWAL

Infrastructure renewal is critical to the Town's long-term stability and service delivery. Roads, pipes, and utilities form the foundation of daily life for residents and businesses, but many of these systems are aging and under strain. Years of underinvestment have created a growing risk to service reliability and have increased our taxes via higher operational costs. In response, the Town is making infrastructure renewal a core priority, guided by better data, targeted reinvestment, and a shift toward long-term asset management.

TACKLING INFRASTRUCTURE CHALLENGES: WATER LOSS AND INFLOW & INFILTRATION

The largest infrastructure challenge we face is water loss and inflow & infiltration (I&I). Through a long-term underinvestment in underground infrastructure, the Town has been losing upwards of \$2.4 million annually to these two issues.

- Water loss happens when there's a difference between the amount of water we purchase and the amount we sell to consumers in Town. Water loss generally occurs through broken infrastructure or water meter issues.
- Inflow and infiltration (I&I) refers to rainwater or groundwater entering our sanitary sewer system through cracks in pipes or manholes. While I&I is common in many towns, it poses a greater cost for Olds as we are connected to a regional wastewater system that pumps sewage to Red Deer for treatment, at a cost of \$2.78 per cubic metre.

COMPARING COSTS

The cost to operate our utility infrastructure is nearly \$2 million above average when compared to similar-sized communities. While a comparison does not tell the entire story, it is a useful tool to help us understand our target.

<i>Municipality</i>	<i>Utilities Expense</i>
Blackfalds	7,250,458
Edson*	5,346,743
Innisfail	7,504,795
Morinville	6,715,693
Olds	9,103,624
Taber	9,422,091
Whitecourt	5,111,421
AVERAGE	7,200,892

The primary driver of this additional expense appears to be the Town's water loss and I&I costs. A successful repair program will not only help control our utilities expense but will also help identify future infrastructure problems quicker.

2024 RECAP

In 2024, the Town undertook an aggressive program to investigate and address areas of concern related to water loss and I&I. This proactive approach involved extensive inspection, maintenance, and repair work across both the sanitary and water systems.

For the sanitary system, key activities included:

- Inspection of 906 manholes
- CCTV inspection of 48 km of sanitary mains
- Relining of 22 manholes and 3.7 km of sanitary mains
- Replacement of 60 meters of sanitary main
- Repair of 1 sanitary service
- Raising of 17 manholes to grade

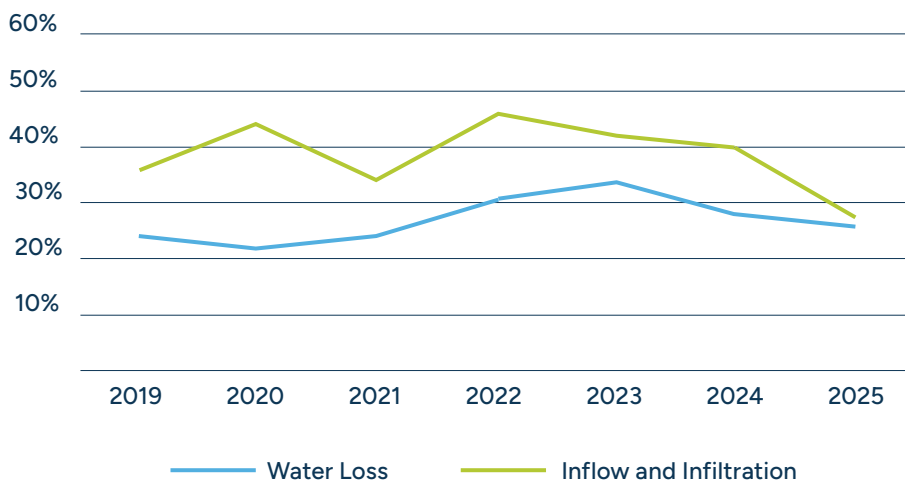
For the water system, efforts included:

- A full-system pressure survey and leak detection
- Repair of 26 leaks on services and main lines
- Repair of 3 leaking valves and 1 hydrant
- Pressure testing 647 service lines

IS IT WORKING?

Annual Water loss has fluctuated between 22% and 32% from 2019 to 2023, peaking in 2023. However, significant efforts in 2024 such as leak detection, water line repair, pressure testing, and system adjustments have started to show results. In 2024, water loss decreased to 28%, and it is projected to fall further in 2025, early data shows January to March at 26%, indicating steady progress toward more sustainable levels.

I&I has been more volatile. I&I peaked at 48% in 2022. Since then, targeted infrastructure repairs and inspections have contributed to improvement. I&I is projected to decline significantly to 25% in 2025, nearly halving the 2022 level.



2025 PLANS AND TARGETS

In 2025, we plan to build on the momentum of previous years by continuing our efforts to reduce water loss and I&I across the Town's infrastructure.

For the sanitary system, planned activities included:

- Performing repairs identified through previous CCTV inspections
- Relining 23 sanitary manholes
- Addressing inflow issues from approximately 10 sanitary manholes located on private property
- Relining approximately 5 km of sanitary main
- Repairing infiltration around sanitary service connections

For the water system, our focus will include:

- Continuing leak detection initiatives
- Repairing an estimated 30 service and main line leaks
- Modifying pump houses to improve flow control accuracy and metering capabilities
- Replacing 640 residential water meters to enhance reading accuracy and enable better leak detection
- Conducting flow testing and inspections on 348 fire hydrants

WHAT IS OUR TARGET?

We seek a 3-10% annual reduction in both categories until we reach an average monthly loss of 10% - 15% in our water system and 15% - 20% in our wastewater system. Addressing these inefficiencies isn't just about better service; it's a financial strategy. Reducing water loss and I&I by these amounts would save the Town up to \$1 million annually, freeing funds for other priorities and helping to mitigate large utility rate increases.

FISCAL RESILIENCE

Fiscal resilience means more than balanced books; it means ensuring that the Town can deliver essential services, respond to emergencies, and invest in the future without financial strain. For Olds, rebuilding this resilience requires discipline, difficult choices, and a long-term commitment to restoring flexibility and reducing risk.

While fiscal resilience is a broad term that involves nearly all parts of the organization, this report will focus on the Town's debt.

MANAGING DEBT: FROM OVEREXTENSION TO RECOVERY

In recent years, the Town relied heavily on debt to fund major capital projects. While this approach allowed important projects to move forward, it also maximized our borrowing limit, added to operational costs via debt servicing, and reduced future flexibility. Recognizing the need for a more sustainable path, the Town is focusing on debt reduction and management practices as our foundation of fiscal resilience.

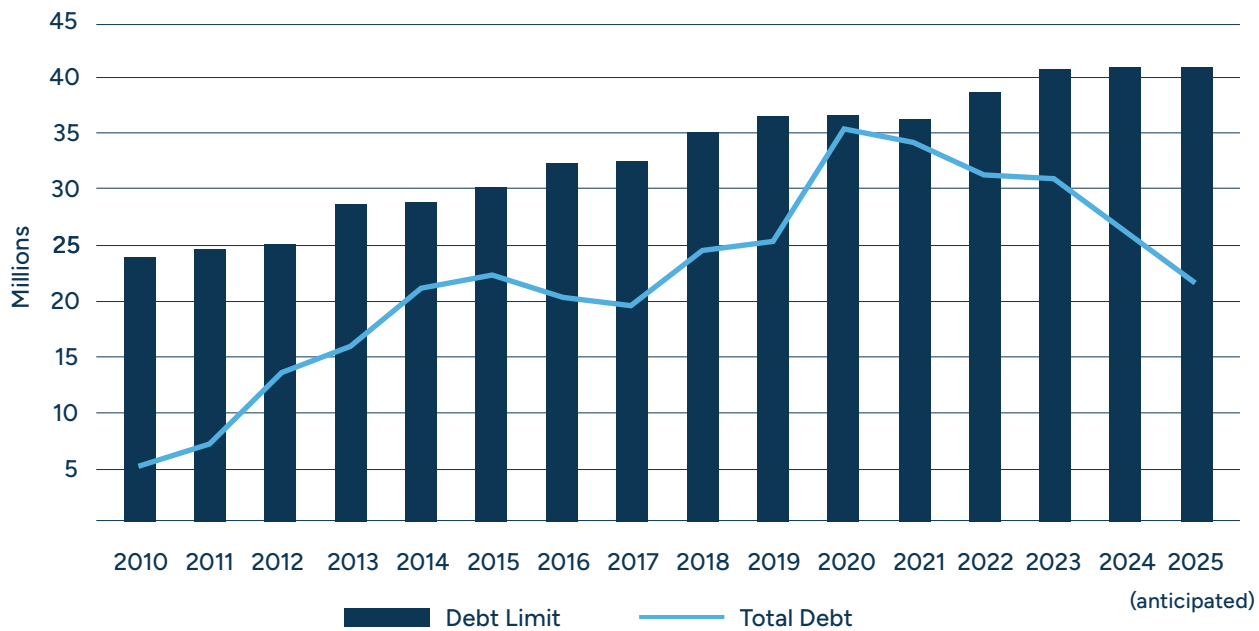
Over the past year, we have taken deliberate steps to reduce overall debt levels and limit new borrowing. By prioritizing capital planning, extending asset lifecycles where appropriate, and identifying alternative funding sources such as grants and reserves, we've begun to reverse the trend of debt dependency.

DEBT OUTSTANDING (DECEMBER 31, 2024)

<i>Debt Funded Project</i>	<i>Total Amount Owning</i>	<i>Annual Servicing Costs</i>	<i>Final Repayment Date</i>
Wastewater Truck Main (2000)	231,370	126,284	2026
Olds Municipal Library (2009)	198,819	40,922	2030
O-NET (2018)	8,952,792	543,496	2031
NW Development (2017)	1,749,024	160,733	2038
Rotary Athletic Park (2018)	2,416,723	215,651	2038
70 AVE/Hwy 27 Upgrades (2018)	1,494,562	124,424	2039
Emergency Services Building (2011)	2,234,331	169,522	2042
Operations Centre (2019)	9,609,783	520,101	2050
TOTAL	26,887,404	1,901,133	

WHERE DID THIS DEBT COME FROM?

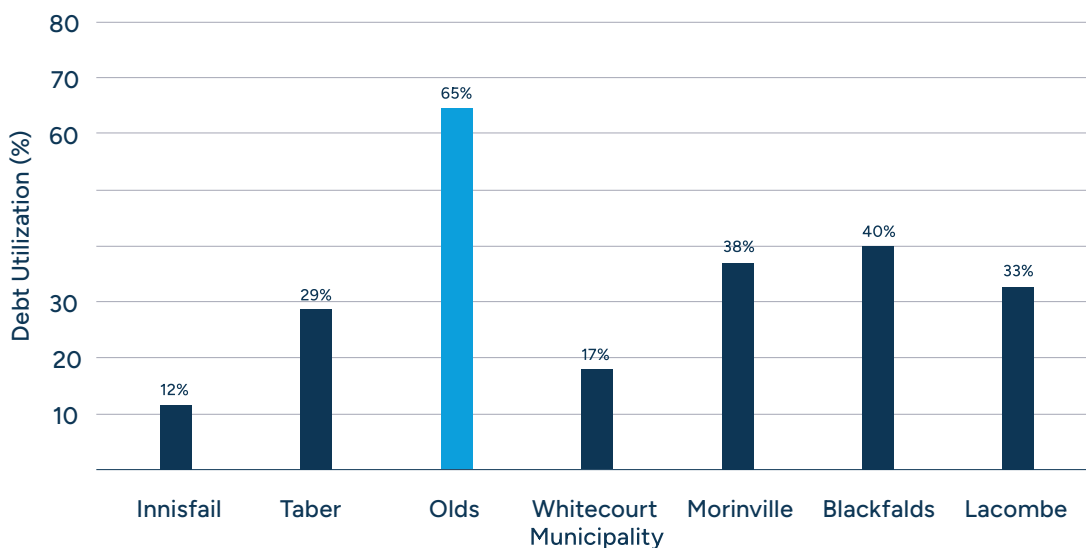
The below graph shows how the Town steadily and significantly increased its debt since 2010, generally for new capital projects. Ideally, when new debt is taken on, there is a corresponding revenue increase to matching the loan's servicing costs; however, this was not the case in Olds.



COMPARING DEBT LEVELS

Among similar towns in Alberta, Olds currently has the highest debt utilization at 65% of its allowable borrowing limit. In comparison, most other towns in our region are using between 12% and 40% of their borrowing capacity. This debt level limits our ability to respond to emergencies, pursue new opportunities, or invest in needed infrastructure without incurring additional risk. Reducing debt is essential for restoring long-term flexibility.

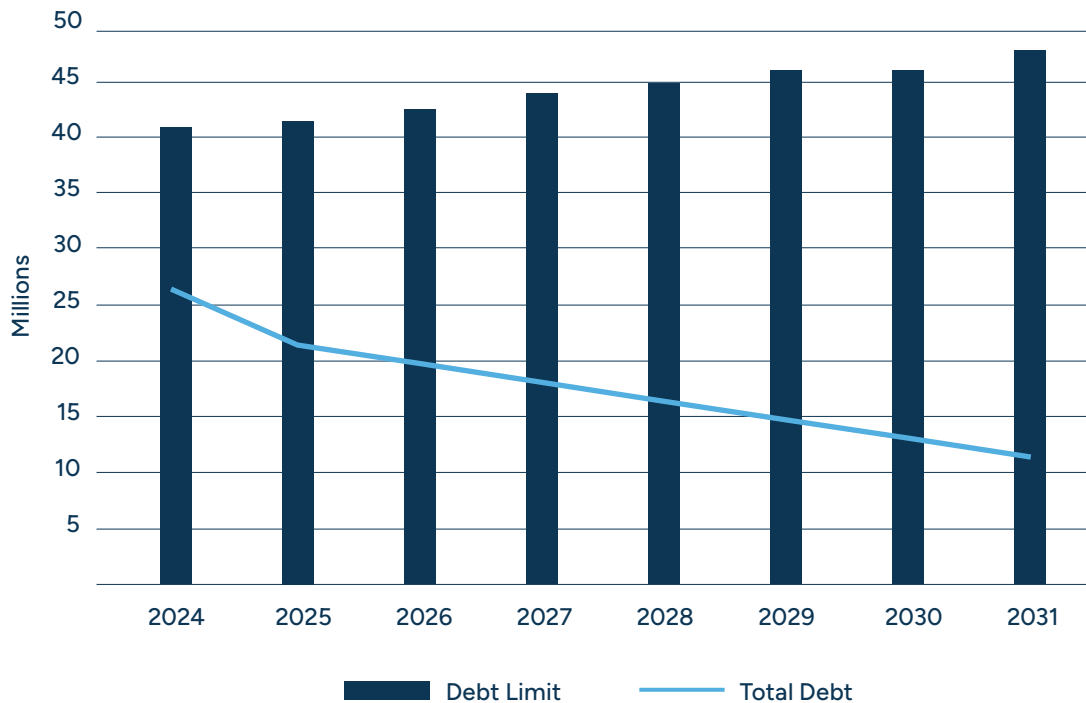
DEBT UTILIZATION BY MUNICIPALITY



PROJECTED DEBT REDUCTION

The long-term debt held by the Town going into 2025 was \$26.89 million. This debt is projected to steadily decrease each year, reaching \$12.19 million by 2031, a 53% reduction from the 2025 level.

A significant part of this reduction relates to the OFL LTD. (O-NET) debt owed to the Alberta Capital Finance Authority. Of the \$8.9 million outstanding as of December 2024, the Town will make 2 lump sum payments from the sale proceeds in 2025 and 2027, respectively and then service the remaining sum until term-end in 2031. A financial summary of the Town's involvement in OFL LTD. is available [here](#).



LOOKING AHEAD: FUTURE DEBENTURE NEEDS

While the Town remains committed to reducing its overall debt burden, we also recognize that future borrowing may be necessary to support essential infrastructure investments and respond to emergency situations. To support these goals, Council will soon consider a debt management policy that will establish guidelines for future borrowing, including setting internal borrowing limits and requiring information on operational and life-cycle costs to be submitted prior to a debenture. This policy seeks to ensure future borrowing is done in a deliberate and sustainable manner, while understanding operational impacts and broader infrastructure needs.

Looking ahead to the next 10 years, there are three known large projects that could require borrowing:

NORTH WATER RESERVOIR

The Town of Olds currently operates two water reservoirs (north and south). The north reservoir is approximately 65 years old and will require replacement within 10 years.

- Approximate Cost (2033): \$8 million

OLDS SPORTSPLEX

The Sportsplex, currently 44 years old, is a fundamental community asset. The typical lifespan of an arena is around 80 years, and as it enters the final half of its life, maintenance needs are increasing and user satisfaction with the facility decreasing. Town will soon engage on the long-term future of the facility; however, the Town will need to budget for **The Sportsplex maintenance needs until at least 2035**.

- Approximate Cost (2025 - 2035): \$10 million

UNDERGROUND INFRASTRUCTURE

By the end of 2025, the Town will have assessed the condition and capacity of virtually the entire sanitary system and conducted leak detection throughout the Town's water system. We know there are significant deficiencies that will **require repair and full replacement**; but this investigation will provide us with better timelines.

- Approximate Cost (2025 – 2045): \$30 million

IN SUMMARY

By the end of 2025, the Town will have reduced its outstanding debt to \$22.2 million, moving our debt utilization from 65% to just over 50%. In addition, the Town is exploring other opportunities to further accelerate debt reduction as finances allow.

Together, these actions mark a shift in how the Town approaches its financial future. By managing debt, rebuilding reserves, and aligning spending with long-term priorities, Olds is laying the groundwork for financial stability and renewed public confidence. Fiscal resilience is not a single goal; it's a way of operating that protects our future.

LONG-TERM PLANNING

Long-term planning is essential for building a more resilient, efficient, and forward-looking municipality. For Olds, this means ensuring that Town-owned assets, programs, and land use decisions support financial sustainability. Two key processes launched were the ongoing asset management program and corporate planning. A major outcome was a full review of Town-owned properties to ensure each asset served a clear public purpose. Where it did not, the Town took steps to repurpose, re-invest, or divest strategically. The following section summarizes that work.

MUNICIPAL PROPERTY REVIEW AND OPTIMIZATION

An assessment revealed that several Town-owned properties were either underutilized or no longer aligned with the Town's long-term service delivery and operational goals. As a result, the Town initiated a process to repurpose or dispose of select assets.

All land disposition decisions are made in accordance with the legislated obligations set out under the Municipal Government Act (MGA), ensuring transparency and due process. Additional information on this process, including partnership opportunities and public notices, can be found at www.olds.ca/partnership.

This approach reflects prudent asset management and a commitment to maximizing taxpayer value. By repurposing or divesting underused properties, the Town can reduce ongoing maintenance costs, generate revenue for future priorities, and make better use of strategic locations.

Properties Identified for Sale

TOWN OFFICE (4512 46 STREET)

In fall 2024, the Town sold its primary administrative office to Westview Co-op for \$2 million. The sale followed a feasibility review that confirmed staff and services could be consolidated into the newer Operations Centre, resulting in lower operating and maintenance costs and greater internal efficiency. The new office opens July 21, 2025.

FORMER SAND/SALT SHED (51 STREET)

No longer used by the Town since the Operations Centre was built, this site was offered to local developers for potential mixed-use development. A conditional agreement was reached with Masterbuilt Projects Ltd., with provisions requiring development approvals by December 2025 and construction start by August 2026.

CEMETERY LANDS (SE INDUSTRIAL AREA)

With over 200 years of capacity remaining at the Olds Cemetery, the Town subdivided and listed 11 unused acres as industrial land for \$400,000. This parcel benefits from nearby utilities and supports the long-term economic goal of increasing our industrial tax base.

FORMER RECYCLING CENTRE LOT

After the regional recycling transfer station closed, this lot was declared surplus. It has since been listed for light industrial use and is currently open to proposals.

FORMER HABITAT FOR HUMANITY PROPERTY (52 STREET)

Returned to the Town following Habitat's exit from the region, this undeveloped R3-zoned parcel was listed for sale to support future affordable or multi-family housing opportunities.

Properties Identified for Community Use

FORMER FIRE HALL (50 STREET)

With no viable commercial sale options due to environmental contamination and rezoning, the Town opted to convert this site into a hub for local social service organizations. Tenants include the Mountain View Food Bank, Community Lending Shelf, Coats for Everyone, and Hope for MVC Kids.

FORMER PUBLIC WORKS SHOP (51 STREET)

This underused site, also limited by contamination and zoning constraints, will be retrofitted into a Men's Shed facility and Community Arts Hub thanks to nearly \$200,000 in federal funding. Construction will begin in 2025.

IN SUMMARY

These decisions are not just about reducing costs or generating revenue; they are about aligning physical assets with long-term priorities such as housing availability, efficient service delivery, and economic development. In implementing these changes the Town is ensuring that every public asset serves a meaningful and measurable purpose.

CONCLUSION

The 2025 Financial Update reflects a pivotal chapter in the Town of Olds' journey toward long-term stability, accountability, and strategic reinvestment. The past year has been defined by difficult but necessary decisions: reducing debt, selling non-core assets, recalibrating service levels, and confronting legacy infrastructure and financial pressures. While 2024 exposed the full extent of the Town's fiscal challenges, it also marked a turning point in our commitment to doing things differently.

Through initiatives focused on infrastructure renewal, fiscal resilience, and long-term planning, the Town is working to correct past imbalances and position itself for a more sustainable future. We have begun to address costly inefficiencies in our water and wastewater systems, implemented a deliberate debt reduction strategy, and launched a property optimization program to ensure every municipal asset serves a defined public purpose. These steps are at times complex or unpopular but are designed to ensure that the Town is not only surviving but preparing to thrive.

Looking ahead, Olds will continue building a stronger financial foundation rooted in core responsibilities: maintaining essential infrastructure, managing spending with discipline, and enabling housing and economic growth through thoughtful land use and private sector partnerships. These principles will guide our corporate planning, budgeting, and investment decisions in the years to come. Property taxes will remain the Town's main source of revenue and will need to increase through both new development and tax rate adjustments. This is necessary to address financial pressures caused by years of flat tax revenue, rising inflation, added debt, and expanded services.

The road to financial recovery is not instant, but it is underway. With continued transparency, steady leadership, and a focus on long-term value, the Town of Olds is taking the necessary steps to restore public trust and create a local government that is more efficient, resilient, and ready for the future. This report serves as both an update and a commitment to build a more financially secure and service-focused municipality for the citizens of Olds.



3501 - 70 Ave, Olds, AB T4H 1L7 admin@olds.ca 403.555.6981