



**Special Council Meeting Agenda  
for Wednesday, November 30, 2022, at 9:00 a.m.  
in the Council Chambers, at the  
Town Office at 4512 – 46 Street, Olds, AB**

This Special Council Meeting of Council will be conducted in Council Chambers at the Municipal Office at 4512 – 46 Street in Olds, with the public body present at meeting location and will be live streamed out via the Town of Olds website.

**1. CALL TO ORDER**

**2. ADOPTION OF THE SPECIAL MEETING AGENDA**

**3. BUSINESS FOR SPECIAL MEETING**

3A) 2023 Operating Budget & 2023 Capital Budget

**4. ADJOURNMENT**

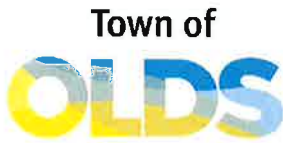
**PUBLIC INFORMATION:**

**Media Scrum:** any questions arising from the media can be sent to our 'Communications Coordinator' at [communications@olds.ca](mailto:communications@olds.ca) and they will be forwarded on to the person addressed.

**CLOSED SESSION INFORMATION:**

When Council goes into a **CLOSED SESSION**, for continued participation in the virtual Council meeting: stay online in the live stream meeting platform, and the meeting stream will be replaced by a graphic and music will play. When the music stops, the meeting is reconvening.

If you choose to shut down your live stream, watch the Town of Olds social media feeds where the reconvening time will be posted. The social media feeds can also be found at the bottom of the homepage on the Town of Olds website.



Town of

Request for Decision

**2023 Operating and Capital Budget**

November 30, 2022

**RECOMMENDATION**

**That Council accepts for information the 2023 Operating and Capital budgets as presented**

**STRATEGIC ALIGNMENT**

Sound fiscal practices are balanced with a commitment to prioritizing value for our citizens.

**LEGISLATIVE AUTHORITY**

Section 242 (1) of the Municipal Government Act states each council must adopt an operating budget for each calendar year.

Section 245 each council must adopt a capital budget for each calendar year.

**BACKGROUND**



The 2023 Operating Budget was first presented to Council at the October 31, 2022 Special Meeting. Today administration is seeking further clarification specific to the tax revenue required and triaged projects.

The 2023 Capital Budget will be presented in detail.

Following this meeting, the 2023 Operating and Capital budget will be presented for final approval at the regular Council meeting of December 12, 2022.

**ATTACHMENTS**

1. 2023 Operating Budget Discussion Paper
2. 2023 Draft Capital Plan

Author: Sheena Linderman	Director of Finance	Date: November 25, 2022
Director Signature:		Date: Nov 25/22
CAO Signature:		Date: Nov 25, 2022



## Council Discussion Paper 2023 Operating Budget

### Background:

The overarching themes of budget 2023 are infrastructure investments and service level reviews. Neither is a 1-year project but rather a refocus of municipal priorities.

The Town faces significant financial challenges related to infrastructure rehabilitation, organizational capacity, and long-term planning that drive this strategy. And while taxes are proposed to increase, both proposed options are under the rate of annual inflation. Moreover, the Town of Olds has one of the lowest municipal tax rates when compared to like-sized municipalities.

Below are 2 options that propose two different revenues from taxation increases. Exact tax rate adjustments will not be determined until April 2023.

### 2023 Budget Highlights:

#### Staffing Compliment Changes

- Option 1 would reduce 7.6 FTE positions from the Town's staffing compliment and add 5.
- Option 2 would still reduce 7.6 FTE positions but add 6.

Reduction	FTE	New	FTE
Coordinator of Strategic Affairs	1	Communications and Engagement Coordinator	1
Communication Coordinator	1	Manager of Finance	1
Finance Coordinator	0.6	Municipal Finance Intern (18 months)	1
Recreation Programmer	1	Deputy Fire Chief	1
Heritage Advisor	1	Planner	1
RCMP Detachment Clerks	3		
<b>Total Removed</b>	<b>7.6</b>	<b>Total New</b>	<b>5</b>

#### Utility Rates:

For the average household using 10 cubic meters of water per month, an increase of \$2.40 per month is proposed.

	2022	2023	Increase
<b>Water</b>			
Base Rate	12.83	12.83	0.00
Consumption	2.99	3.10	0.11
<b>Wastewater</b>			
Base Rate	18.40	18.40	0.00
Consumption	4.61	4.74	0.13
<b>Solid Waste</b>	24.30	24.30	0.00

## Service Level Reductions:

4

Reductions are proposed in the following areas:

- Olds Aquatic Centre: Reduced hours to save ~ \$80,000 annually
- Mowing: Change to a maximum of once every 2-week schedule
- Summer Staff: Decrease total number by 2
- Solid Waste: Seasonal suspension of residential green bins & a reduction in community compost bins.

### OPERATING BUDGET: OPTION 1

#### 3% Tax Increase (\$300,000 in tax revenue)

At 3% the 2023 Budget being presented to Council would still require **\$82,176** from the Tax Stabilization Reserve to balance the budget. The current balance of this reserve is \$295,107.

Residential					Non-Residential				
	2022 AVG \$316,298	2023 AVG \$347,189	Change	9.8%		2022 AVG \$915,490	2023 AVG \$969,064	Change	5.9%
Municipal	\$ 1,917	\$ 1,974	\$ 57	3.0%	Municipal	\$ 7,590	\$ 7,818	\$ 228	3.0%
Education	\$ 774	\$ 852	\$ 78	10.1%	Education	\$ 3,095	\$ 3,434	\$ 339	11.0%
Seniors	\$ 116	\$ 136	\$ 20	17.2%	Seniors	\$ 334	\$ 380	\$ 46	13.8%
<b>TOTAL</b>	<b>\$ 2,807</b>	<b>\$ 2,962</b>	<b>\$ 155</b>	<b>5.5%</b>	<b>TOTAL</b>	<b>\$ 11,019</b>	<b>\$ 11,632</b>	<b>\$ 613</b>	<b>5.3%</b>
**This would be a residential tax rate DECREASE of 6.2%					**This would be a non-residential tax rate DECREASE of 2.70%				

With option 1, our project paper list would be triaged as follows:

Projects Included	Projects Excluded
• Cola – 4%	• Health and Safety Coordinator
• Rental Market Study	• IT Coordinator
• Municipal Finance Intern	• Fire - Records Management System
• Purchase Order System	• Community Peace Officer
• Offsite Levy Review	• Tree Canopy Assessment
• SharePoint Integration	• Tree Planting Program
• Deputy Fire Chief	
• Work Order System	
• CP Rail Crossing	
• Roads Sidewalks Budget Increase	
• Aquatic Centre Reduction to Hours	
• Aquatic Centre Increase to R & M	

### OPERATING BUDGET: OPTION 2

#### 5% Tax Increase (\$500,000 in tax revenue)

At 5% the 2023 Budget would have a surplus of **\$117,294**. This option would negate the use of the stabilization reserve and fund the IT Coordinator position, which is a position long overdue in the Town.

- IT Coordinator (112,500)

Residential					Non-Residential <span style="color: red;">5</span>				
	2022 AVG \$316,298	2023 AVG \$347,189	Change	9.8%		2022 AVG \$915,490	2023 AVG \$969,064	Change	5.9%
Municipal	\$ 1,917	\$ 2,013	\$ 96	5.0%	Municipal	\$ 7,590	\$ 7,970	\$ 380	5.0%
Education	\$ 774	\$ 852	\$ 78	10.1%	Education	\$ 3,095	\$ 3,434	\$ 339	11.0%
Seniors	\$ 116	\$ 136	\$ 20	17.2%	Seniors	\$ 334	\$ 380	\$ 46	13.8%
<b>TOTAL</b>	<b>\$ 2,807</b>	<b>\$ 3,001</b>	<b>\$ 194</b>	<b>6.9%</b>	<b>TOTAL</b>	<b>\$ 11,019</b>	<b>\$ 11,784</b>	<b>\$ 765</b>	<b>6.5%</b>
<small>**This would be a residential tax rate DECREASE of 4.31%</small>					<small>**This would be a non-residential tax rate DECREASE of 0.80%</small>				

With option 2, our project paper list would be triaged as follows:

Projects Included	Projects Excluded
• Cola – 4%	• Health and Safety Coordinator
• Rental Market Study	• Fire - Records Management System
• Municipal Finance Intern	• Community Peace Officer
• Purchase Order System	• Tree Canopy Assessment
• Offsite Levy Review	• Tree Planting Program
• SharePoint Integration	
• Deputy Fire Chief	
• Work Order System	
• CP Rail Crossing	
• Roads Sidewalks Budget Increase	
• Aquatic Centre Reduction to Hours	
• Aquatic Centre Increase to R & M	
• IT Coordinator	

#### COLA Options (currently included in both options at 4%)

- 0% = (162,552)
- 3% = (61,000)
- 4% = Baseline = \$245,000
- 5% = +60,500
- 5.98% = +120,500

**2023 - Capital Budget DRAFT November 30, 2022**

Dept.	Project Description	2023 Proposed Budget Estimated Cost	TF from Operating	cost center	MSI	Debentures / Loan	From Reserves	Other Funds	CCBF	Total Funds
<b>1200   Administration</b>										
	Flag poles - Administration building (2)	\$ 18,500				\$ 18,500				\$ 18,500
	<b>Total</b>	<b>\$ 18,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,500</b>
<b>2100   RCMP</b>										
	HVAC replacement 3 units total	\$ 15,000				\$ 15,000				\$ 15,000
	<b>Total</b>	<b>\$ 15,000</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,000</b>
<b>2300   Fire Service</b>										
	610 Command Vehicle	\$ 100,000				\$ 45,000	\$ 55,000			\$ 100,000
	Special Operations Trailer	\$ 40,000				\$ 40,000	\$ -			\$ 40,000
	<b>Total</b>	<b>\$ 140,000</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 85,000</b>	<b>\$ 55,000</b>	<b>\$ -</b>	<b>\$ 140,000</b>
<b>2600   Municipal Enforcement</b>										
	AFRRCS Radios (3)	\$ 45,000				\$ 45,000				\$ 45,000
	<b>Total</b>	<b>\$ 45,000</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 45,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 45,000</b>
<b>3100   Operations</b>										
	Half ton replacement program	\$ 50,000	\$ 50,000	3200						\$ 50,000
	Line Painter	\$ 27,000				\$ 27,000				\$ 27,000
	Paving - Operations Centre (phase 1)	\$ 125,000			\$ 125,000					\$ 125,000
	Snow Management System - Operations Centre	\$ 35,000			\$ 35,000					\$ 35,000
	<b>Total</b>	<b>\$ 237,000</b>	<b>\$ 50,000</b>		<b>\$ 160,000</b>	<b>\$ -</b>	<b>\$ 27,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 237,000</b>
<b>Municipal Improvement Program</b>										
	Municipal Improvement Program	\$ 2,316,900	\$ 684,500	41/42	\$ 1,098,400			\$ 534,000		\$ 2,316,900
	52nd Street (51 - 53 AVE)	\$ 2,250,000	\$ 684,500	41/42	\$ 665,500			\$ 900,000		\$ 2,250,000
	65th AVE (HWY 27 to 61 AVE)	\$ 550,000			\$ 550,000					\$ 550,000
	<b>Total</b>	<b>\$ 2,800,000</b>	<b>\$ 684,500</b>		<b>\$ 1,215,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 900,000</b>	<b>\$ 2,800,000</b>
<b>4100   Water</b>										
	Water Loss/I & I Prevention Program	\$ 643,000				\$ 643,000				\$ 643,000
	<b>Total</b>	<b>\$ 643,000</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 643,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 643,000</b>
<b>4200   Wastewater</b>										
	Sewer Camera	\$ 150,000				\$ 150,000				\$ 150,000
	<b>Total</b>	<b>\$ 150,000</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>
<b>7204   Aquatic Center</b>										
	Priority OAC Upgrades	\$ 72,500			\$ 72,500					\$ 72,500
	Security Camera	\$ 10,500			\$ 10,500					\$ 10,500
	Wibit	\$ 18,500			\$ 18,500					\$ 18,500
	Aquatic Centre Retrofit (GICB)	\$ 2,768,455			\$ 553,691		\$ 2,214,764			\$ 2,768,455
	<b>Total</b>	<b>\$ 2,869,955</b>	<b>\$ -</b>		<b>\$ 655,191</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,214,764</b>	<b>\$ -</b>	<b>\$ 2,869,955</b>
<b>7205   Sports Complex</b>										
	Priority Sportsplex Upgrades	\$ 102,000			\$ 102,000					\$ 102,000
	Main Arena Sound Upgrade	\$ 12,000			\$ 12,000					\$ 12,000
	Main Floor Painting	\$ 60,000			\$ 60,000					\$ 60,000
	<b>Total</b>	<b>\$ 174,000</b>	<b>\$ -</b>		<b>\$ 174,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 174,000</b>

Dept.	Project Description	2023 Proposed Budget Estimated Cost	TF from Operating	cost center	MSI	Debentures / Loan	From Reserves	Other Funds	CCBF	Total Funds
<b>7206   Parks</b>										
	Centennial Park Washrooms	\$ 350,000			\$ 350,000					\$ 350,000
	Trail Network	\$ 150,000			\$ 150,000					\$ 150,000
	<b>Total</b>	<b>\$ 500,000</b>	<b>\$ -</b>		<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>
<b>7209   Sportsfields</b>										
	Scoreboards - Rotary Athletic Park	\$ 135,000			\$ 60,000			\$ 75,000		\$ 135,000
	<b>Total</b>	<b>\$ 135,000</b>	<b>\$ -</b>		<b>\$ 60,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ 135,000</b>
	<b>Total 2023 Capital Budget</b>	<b>\$ 7,727,455</b>	<b>\$ 734,500</b>	<b>\$ -</b>	<b>\$ 2,764,691</b>	<b>\$ -</b>	<b>\$ 983,500</b>	<b>\$ 2,344,764</b>	<b>\$ 900,000</b>	<b>\$ 7,727,455</b>

Approved May 2, 2022

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Initial Budget (2019 - 8,202,260, 2020 - 12,292,900, 2021 - 8,721,600, 2022 - 3,819,500)

Funded by Utilities (2019 - 795,000, 2020 - 736,500, 2021 - 696,500, 2022 - 696,500) \$ 734,500

Funded by Taxes (2019 - 0, 2020 - 0, 2021 - 18,500, 2022 - 0)

\$ 734,500

MSI Grant received (2019 - 2,146,034, 2020 - 2,009,017, 2021 - 2,506,969, 2022 - 1,016,622)

\$ 1,016,622

MSI Funds anticipated to be carried forward

\$ 1,546,945

CCBF Fund grant 2019 - 1,037,797, 2020 - 525,341, 2021 - 1,075,343, 550,360)

\$ 550,000

CCBF Funds anticipated to be carried forward

\$ 350,000

**Total Grant Funds Available**

**\$ 2,563,567**

**Grant Short Fall (Surplus)**

**\$ 201,125**

**\$ 900,000**

**\$ -**