

**City of Melfort**  
**COMMITTEE OF THE WHOLE**  
**BUDGET SESSION**  
**February 12, 2009**

Minutes of the Committee of the Whole meeting held on Thursday, February 12, 2009, in the Council Chambers, Melfort, Saskatchewan, commencing at 3:36 p.m.

**PRESENT:**     **COUNCIL:**     Councillor Degelman, Deputy-Mayor; Mayor Phillips and Councillors Abbott, Russin, MacNaughton, Lang and Terry.

**STAFF:**           J. Wade, City Manager; G. Gilmore & D. Graham, Director of Works & Utilities; S. Peterson, City Treasurer; R. Harper, Facility Manager and H. Audette, City Clerk.

Deputy Mayor Degelman called the meeting to order and turned the Chair over to Councillor Lang, Chairman of the Legislative & Finance Committee.

**CAPITAL BUDGETS**

Councillor Lang referred to the requirement of aligning and balancing the 5-year capital budget by the year 2012, which must be addressed in order to avoid overspending of an estimated \$660,000.

1.     **General Capital**
  - The Director of Works & Utilities is to determine the time frame required for landfill permitting in order to assess how crucial the environmental testing is.
2.     **Utility Capital**
3.     **Special Projects**
  - The Treasurer will determine which projects would be eligible for the remaining gas tax funding.

**PRELIMINARY OPERATING BUDGET REVIEW**

Council reviewed the Treasurer's memo dated February 6, 2009, outlining the highlights of the 2009 preliminary budget, which is based on a status quo budget. She noted that the .67 mill increase for the new multi-use facility has not been included in revenues. The Treasurer will calculate the growth percentage increase included in the budget.

**Additional Budget Requests**

Council reviewed the additional requests to the status quo budget.

1.     The Clerk is to approach the school division to determine whether they would consider renting electronic voting equipment from the City.
2.     The job description for the Multi-Use Facility Events Manager is to be forwarded to Council for study.

Councillor Russin declared conflict and left the meeting at 4:32 p.m.

3.     The Clerk is to send a copy of the tourist centre memo dated February 10, 2009, to the Chamber President and Manager. Councillor Abbott and the Community Services Director are to meet with the Chamber to clarify their budget request. The Community Services Department is to explore the option of adding tourism to the portfolio of the new Multi-Use Facility Events Manager.

Councillor Russin returned to the meeting at 4:32 p.m.

4. Mayor Phillips reported that the RM of Star City has proposed a program where they would fund the restructuring and application of cold mix on Broadway South, from the city limits to Highway 41, and on McDonald Road East and West, if the City would agree to maintain it. The City would consider a maintenance agreement for the life of the product only. The next meeting to discuss this proposal will be held March 5.
5. The City Manager will contact SUMA to determine whether they may have funds available for the removal of orphan tanks on the McDonald Road East residential lot and, potentially, the airport.
6. In the 2008 budget Council approved a depletion of the mill rate stabilization fund, up to \$125,000, to balance the budget. The final numbers indicate the City may have to use \$60,000. Council will have to consider whether they wish to replenish the reserve in the 2009 budget.
7. The third year of the mill ramp-up to fund the new facility was not to exceed .67 mills. The .67 mill value has increased from \$88,855 in 2007 to <sup>1</sup> \$99,000 in 2009. At this time it's estimated that .45 mills will be required to meet the internal debt repayment requirement, however, this figure cannot be confirmed until construction and fundraising is complete. The Treasurer reiterated that revenues are not included in the preliminary budget, but the entire internal debt payment expense is.

### General Operating Budget

Beginning General Operating Deficit		\$	209,086
2-8-29902	EMO Expenses - increase to \$2,000	\$	2,000 \$ 211,086
2-8-33003-253	Gen Eng Struct (CNR) - reduce to \$5,000	\$	(7,000) \$ 204,086
2-8-33008-531	Patch Asphalt - increase to \$42,000	\$	30,000 \$ 234,086
2-8-33009-532	Crack Contract Cost - decrease to \$0	\$	(30,000) \$ 204,086
2-6-36500-601	Treasurer to check on level of Transit Grant		
2-8-51000-251	Move Cemetery salaries & benefits to correct line. Establish \$500 budget for site repair.	\$	500 \$ 204,586
2-8-68000-239	Report on 2008 Comm Other Sp Svs budget.		

Committee of the Whole recessed at 6:03 p.m. and resumed discussion at 6:48 p.m.

2-8-11000	Increase the legislative budget by \$2,000 to budget for a fridge for the councillors' room and furniture for the Mayor's office.	\$	2,000 \$ 206,586
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### Notes:

1. Administration is meeting with the Secretary of the RM of Star City to review the rural fire fighting agreement.
2. The Community Services Department is to budget for an engineering/feasibility study of the library to assist with capital expense decisions.

### Landfill Operating Budget

Beginning landfill operating deficit	\$	1,455
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The Works & Utilities Committee is to develop a landfill rate schedule for recommendation to Council, which would address the recycling issue, as well as an increased reserve allocation for landfill equipment replacement.

**Waste Collection Operating Budget**

Beginning waste collection operating surplus \$ (2,400)

The Manager reported that conversion to front street waste pick-up is unlikely at this point, but the City and Contractor are back into discussions. The Treasurer will determine where cumulative waste collection surpluses have been allocated.

**Utility Operations Budget**

Beginning utility operating deficit \$ 71,474

The Department intends to start an intensive leak detection program in an attempt to reduce the 17% water loss. Councillor Terry recommended doing an inside read on each meter once per year. The Treasurer will determine whether the utility clerk can flag minimum use utility accounts. The Works & Utilities Committee will undertake a utility rate review.

The Department has submitted an additional request for a 2009 city-wide swabbing program. It was suggested that starting in 2011, we budget to swab one-third to one-half of the city every year thereafter.

**2009 – 2013 RESERVES BUDGET**

Council noted the decline in investment income and agreed that we must continue to monitor cash flow during this crunch period. Short-term financing may be necessary during this period.

**FUTURE BUDGET DATE**

Thursday, April 2, 2009                      4:00 p.m.                      City Hall Council Chambers

The meeting adjourned at 7:42 p.m.

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Mayor

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City Clerk