

City of Melfort
COMMITTEE OF THE WHOLE
BUDGET SESSION
April 2, 2009

Minutes of the Committee of the Whole meeting held on Thursday, April 2, 2009, in the Council Chambers, Melfort, Saskatchewan, commencing at 4:05 p.m.

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

STAFF: S. Peterson, City Treasurer; G. Gilmore, Director of Works & Utilities; K. Ottenbreit, Director of Community Services and H. Audette, City Clerk.

Deputy Mayor Lang, Chairman of the Legislative & Finance Committee called the meeting to order.

RESERVE BUDGET

The Treasurer cautioned that the City reserves will be depleted over the next few years and stressed the importance of analyzing our cash flow on a regular basis.

- a) The reserve budget allows for potential land development activity, but does not include any land sale proceeds.
- b) In 2010, an expense is included to carry the property owners share of local improvements.
- c) The Legislative & Finance Committee will review the reserve policy and the allocation percentages used, as there are several reserves that may be in a future debit situation if we continue to use the existing formula.
- d) The 2008 budgeted drawdown of \$125,000 from the general operating mill rate stabilization fund was not required.

CAPITAL BUDGETS

Councillor Terry presented the Building Canada Fund proposal . Phase 1 of a three-phase waterline replacement program, offering discounted rates for local improvements coupled with an intensive public relations campaign. Precedence will be given to projects completed by 2011. The City cannot proceed to tender until the BCF application is approved.

The Treasurer presented the proposed amendments to the MEEP Infrastructure Plan:

- General asphalt was adjusted to \$30,000 to reflect the extra budget request (\$50,000 remains in general operations)
- Patch asphalt was adjusted to \$8,000 to reflect the extra budget request (\$42,000 remains in general budget).
- The Works & Utilities Committee will prioritize the remaining funds for MEEP projects. An amended infrastructure plan will be submitted once we receive BCF approval.

General Capital

- The Landfill Environmental Testing - \$25,000 was moved to 2010. Sask Environment is willing to defer the permit requirement with the understanding that the geotechnical testing will be done in 2010.

Utility Capital

Special Capital

- The airport projects - \$28,300 was moved from general operations to special capital, to be funded from surplus as a priority item.
- The Legislative & Finance Committee will review the Surplus/Deficit Policy.

OPERATIONAL BUDGETS**General Operations**

Council reviewed the list of additional budget requests and made the following revisions:

| | | |
|--------|----------|---|
| Remove | \$30,000 | General asphalt |
| Remove | \$ 8,000 | Patch asphalt |
| Remove | \$12,350 | Electronic voting equipment |
| Remove | \$ 500 | Council furniture . reduce budget to \$1,500 |
| Remove | \$12,450 | Chamber of Commerce . reflects a \$2,000 inflationary increase. A new agreement is to be negotiated for the operation of the tourist information centre to reflect a seasonal operation rather than year-round. |
| Remove | \$15,000 | Dust oil . moved to the MEEP application |
| Remove | \$28,300 | Airport . moved to special capital, to be funded as first priority from surplus. |
| Remove | \$11,993 | School tax exemptions. The affected non-profit organizations are to be notified that the City is removing them from the exemption bylaw and will grant back the municipal portion of their tax. The Legislative & Finance Committee will review the Tax Exemption Policy. |
| Add | \$ 4,000 | Budgeted surplus |

The Melfort Minute program will be evaluated at the end of the year. Council discussed the need for pruning at Spruce Haven Park.

The total 2009 general operations revised budget deficit is \$100,514, representing a mill increase of .67 mills or 2.9%.

Landfill Operations

Options for repayment of the 2008 deficit were discussed (e.g. 50% of future surpluses). The Legislative & Finance Committee is to make a recommendation in conjunction with their reserve review. It was noted that each fund should have a rate stabilization reserve.

Waste Collection Operations

The Manager is meeting with Greenland Waste to discuss the cost per cart disposal fee.

Utility Operations

The City has contacted Sask Water about an alarm system for the water distribution system. Replenishment of the utility rate stabilization fund is to be discussed by Leg & Finance.

North East School Division Request

The Director of Works & Utilities is to advise the NESD in writing that the City is not opposed to the track refurbishment project, however, the paving contractor will not tender on the project and the City is not in a position to cost-share the project.

NEXT BUDGET MEETING

Monday, April 27, 2009

4:00 p.m.

The meeting adjourned at 8:10 p.m.

 Mayor

 City Clerk