

## Reeve's Message

This year is shaping up to be a cautious year for the Municipal District of Bonnyville.

When Council set its 2015 Interim Budget, we were optimistic that oil prices were going to settle down and remain at a fair price. That was not to be. Now Council has to be vigilant in following its interim budget, and prepare for a possible loss of tax revenue in 2016.

Last year was truly an exceptional year. Council is proud of the work done by M.D. staff. Council also maintained an excellent working relationship with our industry partners, which enabled the M.D. to minimize the costs of repairing road damage.

In 2014 the M.D. accomplished:

- 10 miles of Road Construction
- 15 miles of Rip and Relay
- 21 miles of Oiling
- 12 miles of reworked oiled roads
- Seven miles of Pavement
- 3.5 miles of Contracted Road Construction
- Two miles of Contracted Paving
- Kinosoo Ridge Snow Resort Tube Park and skating pond completed
- The first walking trail project was started
- Ardmore Phase 2 completed
- Ardmore and Fort Kent upgraded automated cart garbage collection system implemented
- Increased roadside mowing by doing more passes with additional equipment
- Increased vigilance of Clubroot infestations to ensure we keep this Canola disease out of our region

In 2015, Council is once again faced with the challenge of making sure that the M.D.'s tax dollars carry maximum value – making sure we get “the biggest bang for our buck”. This may sound simple, but it's not. For example, to base pave a mile of road costs from \$1.1 to \$1.25 million. This is a huge issue. Council can quickly deplete the amount of money we allocate to road building and maintenance with just a few large road projects.

Council's challenge in 2015, and future years, is to try to reduce this cost while still providing residents with quality service. Council is currently working at reducing the cost of base preparation by using new products that harden the road surface, thereby allowing the M.D. to either “cold mix” or “hot mix” the surface. Interestingly enough, the difference in cost between the “hot mix” and “cold mix” aggregate is not large. The huge cost difference comes from the base preparation, and that is where we have to come up with a system that will allow us to maximize savings in order to maximize miles.

In 2015 Council will be allocating over 60 percent of its budget on roads. Other projects include:

- Hosting producer meetings during the winter to educate farmers on the presence of Clubroot Disease in the area as well as how to mediate its presence
- Three new waste bins sites approved for construction in the Moose Lake peninsula area
- Continuation of the VSI and the Coyote and Wolf programs
- Ardmore Phase 3, including the construction of a storm water pond
- Continuation of the Gravel Stockpile Program, which sat at approximately 300,000 tonnes at the end of 2014
- La Corey Fire Hall and Public Works building slated for construction with a budget of \$2.2 million
- Kinosoo Ridge Snow Resort parking lot expansion at an estimated cost of \$150,000
- Set aside \$3 million for partnership collaborations with our neighbouring urban municipalities. As part of that, we are providing \$900,000 to the City of Cold Lake for their new Fire Hall which stores two M.D. fire trucks. Should additional money be required, it will be budgeted for in 2016. The amount was tabulated according to the square footage required to house two fire trucks at a cost of \$425 sq. ft.
- 2015 Rural Senior Transportation Grant for \$60,000
- M.D. Community Halls funded at \$35,000 each
- Work with neighbouring communities to bring Cold Lake water to the region

In 2015, Council has to be cautious about spending budgeted dollars and not spending more than we earn. While the M.D. currently has a healthy reserve, the fact that we may be facing some lean years ahead means Council has to be careful to preserve those allocated dollars. With oil prices remaining low, this could affect the M.D.'s 2016 tax revenue, and create the possibility of a bare bones budget next year.

The M.D. could be facing some hard times in the next few years with a projected drop in oil prices and the rise of Clubroot Disease. I am confident that this Council can ride out these stormy economic times with fiscally prudent budgeting.

Reeve Ed Rondeau