

Town of Drumheller

COUNCIL MEETING

MINUTES



June 22, 2009 4:30 PM Council Chambers, Town Hall
703 - 2nd Ave. West, Drumheller, Alberta

PRESENT:

MAYOR:

Bryce Nimmo

COUNCIL:

Andrew Berdahl

Karen Bertamini

Don Guidolin

Blaine McDonald

Sharel Shoff

Terry Yemen

CHIEF ADMINISTRATIVE OFFICER/ENGINEER:

Ray Romanetz

DIRECTOR OF INFRASTRUCTURE SERVICES:

Allan Kendrick

DIRECTOR OF CORPORATE SERVICES:

Michael Roy

RECORDING SECRETARY:

Linda Handy

ABSENT: DIRECTOR OF COMMUNITY SERVICES: Paul Salvatore

1.0 CALL TO ORDER

2.0 MAYOR'S OPENING REMARKS

2.1 Mayor B. Nimmo presented the summer schedule for Council meetings.

MO2009.139 Bertamini, Guidolin moved to cancel the Council meetings of July 20th and August 17th and the Council Committee meetings of July 13th and August 10th. Carried unanimously.

2.2 Mayor B. Nimmo presented a letter from Hon. Peter Van Loan, Minister of Public Safety advising the Town's request for an increase of one member to the Municipal Police Service Agreement for the Royal Canadian Mounted Police has been included in the 2010/2011 Annual Reference Level Update.

2.3 Mayor B. Nimmo presented a letter from Hon. Fred Lindsay, Solicitor General and

Minister of Public Security advising that a payment under the 2009-2010 Municipal Policing Assistance Grant Program in the amount of \$263,456 will be electronically transferred to the Town shortly.

2.4 Mayor B. Nimmo presented a letter from Hon. Jack Hayden, Minister of Infrastructure congratulating the town on receiving approval from the Building Canada Fund Program for the Badlands Community Facility. In his letter, Hon. Hayden also advised that Hon. Luke Ouellette, Minister of Transportation has approved a pedestrian activated crossing signal to be installed at St. Anthony before the new school opens.

2.5 Mayor B. Nimmo presented the Media Release dated June 17, 2009 advising that the Town of Drumheller cancelled the ski hill land sale agreement due to non compliance with conditions forming part of the agreement.

3.0 PUBLIC HEARING

4.0 ADOPTION OF AGENDA

Addition: 14.1 Councillor T. Yemen – Drumheller Chamber of Commerce Report
MO2009.140 Berdahl, McDonald moved to adopt the agenda as amended. Carried unanimously.

5.0 MINUTES

5.1 ADOPTION OF REGULAR COUNCIL MEETING MINUTES

5.1.1 Council Regular Meeting – June 8, 2009

MO2009.141 Shoff, Guidolin moved to adopt the regular Council meeting minutes of June 8, 2009 as presented. Carried unanimously.

5.2 MINUTES OF MEETINGS PRESENTED FOR INFORMATION

5.3 BUSINESS ARISING FROM THE MINUTES

6.0 DELEGATIONS

7.0 COMMITTEE OF THE WHOLE RECOMMENDATIONS

8.0 REQUEST FOR DECISION REPORTS

8.1 CAO

8.1.1 2008 Audit

Eric Peterson, Gitzel Krefci Dand Peterson provided an overview of the 2008 Audit as follows:

Page 2 Assets – comparison of assets with December 31, 2007 – cash and temporary investments significantly higher than 2007 due to some grants being supplied in advance of project completion. Physical assets inventory includes parks, property and equipment. In the past, the government has recorded their physical assets with no depreciation however this will change in 2009 with the introduction of the

- Tangible Capital Assets Program. Total assets \$21,517,144 (increase of about \$9M over 2007).
- Page 3 Liability / Equity - total \$121,517,144 (also increased about \$9M over 2007). If the Town receives a grant and if not spent, the amount would stay in deferred revenue until expensed. Employee benefits include accumulated vacation pay. Equity includes three fund balances – capital, operating and reserves. Operating fund includes the 2008 surplus of \$363,420 plus prior years. The reserve fund shows the dollars set aside for specific future spending. Equity in property and equipment shows the amount paid off for these assets.
- Page 4 Change in Fund Balances – Revenue Total \$19,172,683 less Expenses Total \$18,534,882 resulting in a change in fund balance of \$1,561,024. Total balance for all funds at year end is \$9,073,811.
- Page 5 Net cash increase during the year is \$2,695,648 plus cash and temporary Investments at the beginning of the year is \$11,408,188 with a total of cash and temporary investments at year end of \$14,103,836.
- Page 6 Schedule 1 Capital Fund Activities - Deficiency of Revenues over Expenditures totalled (\$1,392,265) made up of transfers from operating fund in the amount of \$1,376,382 and transfers from reserve fund in the amount of \$15,883. Capital revenues at the end of the year 2007 resulted in an over expenditure of (\$1,211,244) which has been included in the capital debt issued for a total of Capital Financing and Net Interfund Transfers of \$2,603,509.
- Page 7 Schedule 2 Operating Fund Activities – transfers to and from operating revenues total \$2,030,066. Change in fund balance (operating surplus) total \$363,420 with a closing balance of \$2,045,605.
- Page 8 Schedule 3 Reserve Fund Activities - allocations and transfer made to the reserves and put back in operations and capital. Opening balance of \$7,041,846 with a fund balance at year end of \$7,028,206.
- Page 9 Schedule 4 Equity in Property and Equipment - assets purchased in amount of \$4,680,875 and disposal of (\$84,319) which changes the equity by \$3,673,333 with an opening balance of \$93,141,684 and closing balance of \$96,815,017.
- Page 10 Schedule 5 Property Taxes Levied – 2008 taxation totalled \$8,580,538 with requisitions removed in the amount of \$2,389,593 resulting in net municipal taxes of \$6,190,945 to pay for municipal services.
- Page 11 Schedule 6 Government Transfers total \$4,613,862; Schedule 7 Expenditures by Object totalled \$18,534,882.
- Page 12 Note 1 ensures the audit has been completed in accordance with the Public Sector Accounting and the Canadian Institute of Chartered Accountants.
- Page 19 Note 8 required disclosure for Council and designated officers.
- Page 20 Note 9 debt limits – total debt limit allowed by the Town is \$24,371,057; total current debt is \$3,960,358 and the amount of debt limit unused is \$20,410,699.
- Page 23 - Note 17 requirement for Council's approval of the 2008 audited financial statements.

Eric Peterson concluded his report by stating that the Town is in a healthy financial position, with adequate cash flow, and low debt. He stated that the Town of Drumheller is well managed financially.

Councillor K. Bertamini congratulated Administration for an excellent job with the financial records of the Town.

Eric Peterson referred to the Management Letter. He stated it is an auditor's responsibility to bring to Council's attention any matter relating to financial affairs of the municipality. He stated that the Management Letter refers to a growing trend on unused vacation. He stated that employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year. He stated that although this practice is permitted under the Human Resource policy, it does indicate that employees are not taking a rest from their positions and are not allowing other employees to learn other job responsibilities.

Mayor Nimmo thanked E. Peterson for his presentation.

Mayor Nimmo recessed the meeting at 5:10 PM.

Mayor Nimmo reconvened the meeting at 5:13 PM

MO2009.142 Guidolin, McDonald moved that Council approve the 2008 audited financial statements as presented. Carried unanimously.

8.1.2 Bylaw 14.09 Borrowing for Community Facility

R. Romanetz presented the borrowing bylaw for the community facility in the amount of \$6M. M. Roy stated that the bylaw must be advertised for two weeks. Councillor K. Bertamini asked for clarification on the borrowing limit. M. Roy stated that the Town can not exceed the borrowing amount of \$6M.

MO2009.143 Bertamini, Guidolin for first reading of Bylaw 14.09.

In favour – McDonald, Bertamini, Nimmo, Berdahl, Guidolin

Opposed - Shoff, Yemen

Carried.

8.1.3 Bylaw 15.09 being a bylaw to close a portion of undeveloped public lanes and roadway

R. Romanetz advised that the applicant, Stevenson Homes, has entered into a development agreement with the Town. He explained that the attached drawing shows a replot of the subdivision and identifies the proposed closure of a thin ribbon from the road right of way along 10th Avenue SW and the closure of the lane running north and south. He noted that both areas will be consolidated into the lots as part of the new plan. He further explained that the subdivision application has been approved by Palliser Regional Municipal Services along with a reclassification approval by the Town. He stated that the road closure is required before land titles can give a new plan number. He stated that the

road closure will be advertised for two weeks, following which a public hearing will be held on July 6th. He stated that following the public hearing, the road closure bylaw must be forwarded to the Minister of Transportation for his signature.

MO2009.144 Berdahl, Shoff for first reading to Bylaw 15.09. Carried unanimously.

8.1.4 Bylaw 16.09 Amendments to Policing Committee

R. Romanetz presented the amendments to the Policing Committee bylaw as recommended by the Policing Committee. He stated that the primary change deals with the composition of the Committee structure. He further explained that once the bylaw is amended, a representative from the Kneehill County will be appointed to the Committee.

MO2009.145 Yemen, Berdahl for first reading to Bylaw 16.09. Carried unanimously.

MO2009.146 Shoff, Guidolin for second reading to Bylaw 16.09. Carried unanimously.

MO2009.147 Bertamini, Guidolin for no objection to third reading of Bylaw 16.09.

Carried unanimously.

MO2009.148 Shoff, Berdahl for third reading to Bylaw 16.09. Carried unanimously.

8.1.5 Bylaw 17.09 Short Term Borrowing

R. Romanetz presented the short term borrowing bylaw until such time that the fundraising goal would be raised for the community facility. He further advised that if the term of five years is used there is no requirement under the Municipal Government Act to advertise. M. Roy explained that a short term borrowing bylaw is recommended if the fundraising dollars do not come in as expected. He explained that the Town has two options to consider for borrowing the dollars either through a local financial institute or Alberta Capital Financing Authority (ACFA). He noted that if the borrowing is through a local financial institute, the interest rate may be higher however there may be no penalty to pay off the loan. If borrowing is through ACFA, the interest rate may be lower however there would be obligations for full term payments. He explained that the worse case scenario would be that if the fundraising dollars came in slowly the Town would have to make payments on the dollars borrowed. He further stated that during the fundraising session held on May 28th, the fundraising consultant had advised that a long term commitment would be the preferred option to raise dollars and it is common practice to have a short term borrowing policy to cover off the commitments. In response to a question from Council, R. Romanetz advised that the additional costs for the annual principle and interest rate payment would have to come from the fundraising dollars or taxation.

MO2009.149 Berdahl, Guidolin for first reading to Bylaw 17.09.

In favour – McDonald, Bertamini, Nimmo, Berdahl, Guidolin

Opposed - Shoff, Yemen

Carried.

MO2009.150 Bertamini, Guidolin for second reading to Bylaw 17.09.

In favour – McDonald, Bertamini, Nimmo, Berdahl, Guidolin

Opposed - Shoff, Yemen

Carried.

MO2009.151 Bertamini, Guidolin moved no objection to third reading to Bylaw 17.09.

In favour – McDonald, Bertamini, Nimmo, Guidolin
Opposed - Shoff, Yemen, Berdahl
Carried.

8.2 Director of Infrastructure Services

8.3 Director of Corporate Services

8.3.1 Detailed Assessment Audit Report

M. Roy presented the detailed assessment audit report which purpose is to provide the Minister and the municipality with an unbiased opinion as to the quality of the 2008 assessment roll and whether the municipality adequately adheres to assessment standards. He further noted that the report identifies where opportunities exist to improve assessment performance as per the recommendations of the audit. He further noted that the assessor has been given a copy of the report and the majority of recommendations are being implemented or have been implemented by the assessor. He further noted that there will be ongoing inspections to ensure the municipality adheres to recommendations put forward by the Assessment Branch of Alberta.

8.3.2 Drumheller Mail Invoices

M. Roy presented two outstanding invoices from the Drumheller Mail which the Mayor as Co-Chair of the Steering Committee will speak to. Mayor Nimmo stated the charges resulted from the plebiscite communications and Council has set aside \$5,000.00 to cover marketing costs.

MO2009.152 Yemen, Bertamini that Drumheller Mail Invoices #56224 and #55818 in the amount of \$3994.15 for plebiscite communications be expensed from the Communications Budget as set by Council.

In favour – Shoff, Yemen, Bertamini, Nimmo, Berdahl, Guidolin
Opposed - McDonald
Carried.

8.4 Director of Community Services

9.0 PRESENTATION OF QUARTERLY AND ANNUAL REPORTS BY ADMINISTRATION (July, 2009)

9.2 CAO

9.3 Director of Infrastructure Services

9.4 Director of Corporate Services

9.5 Director of Community Services

10.0 PUBLIC HEARING DECISIONS

11.0 DELEGATION DECISIONS

12.0 UNFINISHED BUSINESS

13.0 NOTICES OF MOTIONS

14.0 COUNCILLOR REPORTS

14.1 Councillor T. Yemen provided an overview of the Drumheller Chamber of Commerce activities during the summer: July 11th Country – Celtic Rock festival at the Drumheller Arena; July 17 – 19 tarp sponsor for Tim Haroldson @ the WPCA wagon races in Drumheller; August 22nd King of the Valley sponsor at the first annual tractor pull and agricultural trade show. He stated that the Chamber continues to support the Atlas Coal Mine with their mine entree project.

15.0 IN-CAMERA MATTERS MO2009.153 Guidolin, Yemen to go in camera at 5:48 PM. Carried unanimously.

15.1 Land Matter

MO2009.154 Yemen, Mcdonald to revert back to regular Council meeting at 6:58 PM.

There being no further business the Mayor declared the meeting adjourned at 6:58 PM.

MAYOR

CHIEF ADMINISTRATIVE OFFICER