

**MINUTES OF THE REGULAR MEETING OF THE TOWN OF STETTLER COUNCIL
HELD ON TUESDAY, MAY 5, 2009 IN THE MUNICIPAL OFFICE,
COUNCIL CHAMBERS**

Present: Mayor J. Hunter

Councillors A. Campbell, D. Dennis, D. Garbutt, R. Peebles, D. Richards & L. Thorogood

Town Manager R. Stoutenberg
Assistant CAO G. Switenky

Press (2)

Absent: None

Call to Order: Mayor J. Hunter called the meeting to order at 6:30 p.m.

1/2. **Agenda Additions/Approval:**

Motion 09:05:01 Moved by Councillor Richards to approve the agenda as presented.

MOTION CARRIED
Unanimous

3. **Confirmation of Minutes:**

(a) Minutes of the Regular Meeting of Council held April 21, 2009

Motion 09:05:02 Moved by Councillor Thorogood that the Minutes of the Regular Meeting of Council held on April 21, 2009 be approved as presented with the following amendment:

Page 5 – Delegations: Delete the duplication of Nancy Hamilton, Registrar.

MOTION CARRIED
Unanimous

(b) Business Arising from the April 21, 2009 Minutes

None

4. **Citizen's Forum:** (a) Andrea & Derrick Hatch

This item was dealt with later in the meeting.

5. **Delegations:** (a) None

6. **Administration:** (a) Memo re: 2009 Operating Budget & Tax Rate Bylaw 1987-09

Assistant CAO, G. Switenky presented the 2009 Operating Budget and reviewed the information presented in the Memorandum.

The 2009 Operating Budget has been prepared based on the approved 3 year 2009 – 2011 Interim Operating Budget (December 17th, 2008), the approved 2009 Capital Budget (January 6th, 2009) and includes several adjustments that are considered necessary due to improved forecasting.

Property values for 2009 assessment purposes increased by \$59.9 million (10.76%) over 2008 including \$12.4 million (2.24%) due to new construction growth and \$47.5 million (8.52%) due to inflation.

The combined 8.52% inflationary increase is comprised of the following breakdown by class: existing residential properties appreciated by an average of 9.48% while non-residential properties appreciated by an average of only 5.79%. A similar inflationary assessment differential trend has occurred over the past number of consecutive years.

It was explained that an inflationary percentage differential trend between property classes will cause a relative share of the overall property tax burden to shift from the lower percentage class to the higher percentage class. By utilizing a split mill/tax rate once again in 2009 Town Council will mitigate most of the financial impact caused by unequal inflationary assessment shifting between the property tax classes.

Relative tax shifting will occur between properties within the same tax class based on unequal inflationary changes, however, no tax shifting will occur between tax classes.

The 2009 Interim Operating Budget anticipated a 3% tax increase for municipal purposes from both tax classes, with school and housing authority tax impacts being extra. Interim Budget estimates have now been revised for improved/more accurate forecast projections and a Summary of 2009 Property Taxation Options has been prepared which quantifies the cumulative financial/budgetary impacts at various taxation increases over 2008 levels.

Town Council reviewed the budget changes necessary since the Interim Operating Budget was approved, and the financial impacts associated with eight taxation options.

Round table discussion ensued respecting impacts to the amount available for capital purposes and the optics of a modest tax increase given the current economic climate in the community.

Discussion was narrowed to primarily focus on two options as presented:

Option #2 imposes a 1% municipal tax increase for both classes which results in an average combined tax increase (from all authorities) of 1.39% in the residential class and a decrease of .25% in the non-residential class.

Option #6 imposes a .45% municipal tax increase in the residential class and a 2.90% municipal tax increase in the non-residential class. The average combined tax increase (from all authorities) would be 1% in both classes. The primary justification for a higher municipal tax increase from the non-residential class is because the 2009 provincial school requisition for non-residential properties decreased where it increased on residential properties.

A slim majority of Town Council members considered it to be appropriate to keep the overall average tax increase consistent between both classes, thereby allowing the Town to absorb the relatively small amount of tax room in the non-residential class that was vacated by the province.

The 2009 Operating Budget under Option #6 will generate \$3,833,810 in property taxation revenue for municipal purposes. The amount estimated to be available for Capital and/or Reserve Transfers is \$998,575.

Discussion continued regarding the necessity for this municipal tax increase and that the net impact on overall tax levels within both classes of property in Stettler for 2009 is relatively modest.

Motion 09:05:03

Moved by Councillor Thorogood that the Town of Stettler Council adopt, per Section 242(1) of the Municipal Government Act, the 2009 Operating Budget for the Town of Stettler as per Option #6 with combined expenditures and transfers totaling \$14,291,840 and with an average Municipal Tax Class Increase as follows:

Residential	0.45%
Non-Residential	2.90%

MOTION CARRIED (4-3)

Opposed: Mayor Hunter and
Councillors Richards & Dennis

4. **Citizen's Forum:**

(a) Andrea & Derrick Hatch

Andrea & Derrick Hatch, representing a local business Cabinet of Curiosities entered the meeting at 7:05 p.m.

A. Hatch requested that her business, Cabinet of Curiosities and other similar types of cultural tourism related businesses (that sell locally produced products) should be included on the Town's Visitor Map.

It was stated that the Town's Visitor Map uses generic symbols to identify sites rather than business names given its relative small size (8 ½ by 11). It was noted that there are only a few business names included on the map such as Alberta Prairie Railway Excursions, and directional arrows to Ol' MacDonald's Resort, as well as, Pheasantback Golf Course.

Discussion ensued regarding the possibility of creating a generic cultural tourism symbol for registered businesses that sell locally produced items being relatively unique to Stettler.

It was mutually agreed that a generic cultural tourism symbol be incorporated on the Town's Visitor Map.

It was also suggested that the entire visitors map be reviewed by Administration for completeness because it was noted that the Performing Arts Theatre was not currently on the map.

A. & D. Hatch departed the meeting at 7:15 p.m.

(b) 2008 Financial Statements as of December 31, 2008

Assistant CAO, G. Switenky presented and reviewed the financial results included in the Town's 2008 Consolidated Financial Statements and 2008 Municipal Financial Information Return.

In addition, the following documents were presented for Council's review: the Auditors' Reports (2), a Statement of Independence by the Auditor, a Management Letter to Council, and a Statement of audit aspects believed to be of interest to Council.

Both Auditors' Reports state that in the Auditors' opinion the Financial Statements present fairly, in all material respects, the Town's financial position and financial results in accordance with Canadian Generally Accepted Accounting Principles (GAAP) for municipal governments, or in accordance with accounting principles prescribed by the Minister of Alberta Municipal Affairs.

Cash and debt levels, as well as changes in reserve balances were highlighted for Council's information.

It was explained that the Town's operating and capital budgets are not prepared in accordance with GAAP rather they are prepared and presented separate from each other and follow a modified cash method.

For budget purposes a modified cash method, including reserve/fund transfers, is used because the underlying purpose of municipal budgeting is to calculate and impose taxes on property rather than to report "Consolidated" organizational results. However, budget figures are required to be included on the audited consolidated statements for comparative purposes.

Motion 09:05:04

Moved by Councillor Dennis that the Town of Stettler Council accept the 2008 Consolidated Financial Statements and the Municipal Financial Information Return for the Year Ended December 31, 2008 as presented, including correspondence from the Auditor as follows:

1. A statement communicating the independence of the Auditor.
2. A statement of audit aspects believed to be of interest to Council.
3. A Management Letter dated February 11, 2009.
4. The Auditors' Report on the 2008 Consolidated Financial Statements, dated February 11, 2009.
5. The Auditors' Report on the 2008 Municipal Financial Information Return dated February 11, 2009.

MOTION CARRIED
Unanimous

(c) Town Manager's Report

Motion 09:05:05

Moved by Councillor Peebles that the Town Manager's Report for the month of April be accepted as presented.

MOTION CARRIED
Unanimous

(d) Bank Reconciliation as of March 31, 2009

Motion 09:05:06

Moved by Councillor Richards that Bank Reconciliation as of March 31, 2009 be accepted as presented.

MOTION CARRIED
Unanimous

(e) Accounts Payable in the amount of \$1,071,344.48

Motion 09:05:07

Moved by Councillor Campbell that Accounts Payable in the amounts of (\$414,207.70, \$3,103.10 & \$654,033.68) for the period ending April 30, 2009 for a total amount of \$1,071,344.48 having been paid, be accepted as presented.

MOTION CARRIED
Unanimous

(f) Memo re: 2009 Parking Lot Construction Tender

Town Council reviewed the memorandum from Director of Operational Services, J. Keith regarding the 2009 Parking Lot Construction Tender.

The 2009 Parking Lot Construction tender consisting of the 51 Street parking lot and the Affordable Housing Apartment parking lot closed on April 30, 2009 with three bidders as follows:

Border Paving Ltd.	\$222,199.38
Metro Paving & Road Building	\$240,495.81
D.B. Bobcat	\$277,864.55

Prices include a 5% contingency and 5% GST.

Border Paving Ltd. was the lowest compliant tender submitted for this project. Tagish Engineering Ltd. respectfully recommends that the Town of Stettler award this project to Border Paving Ltd.

Town Manager, R. Stoutenberg advised that the overall project cost is below budget estimates: including tendered costs as well as engineering services.

Motion 09:05:08

Moved by Councillor Richards that the Town of Stettler Council award the 2009 Parking Lot Construction to Border Paving Ltd. at a cost of \$222,199.38.

MOTION CARRIED
Unanimous

(g) Memo re: 46 Avenue Industrial Subdivision Tender

Mayor Hunter declared a possible conflict of interest and by departing the meeting excused himself from discussion and voting on the matter.

Deputy Mayor Councillor Campbell assumed the chair.

Town Council reviewed the memorandum from Director of Operational Services, J. Keith regarding the 46 Avenue Industrial Subdivision, Road & Drainage Improvements Tender.

The 46 Avenue Industrial Subdivision, Road & Drainage Improvements Tender closed on March 26, 2009 with nine bidders as follows:

M. Pidherney's Trucking Ltd.	\$172,488.67
Urban Dirtworks Inc.	\$182,805.29
NuEdge Construction Ltd.	\$185,469.90
Watson Welding Ltd.	\$210,411.23
Cerpro Energy Services	\$237,578.87
Ridgerock Contracting Ltd.	\$238,695.61
Chinook Pipeline Inc.	\$239,561.70
Rulam Contracting Ltd.	\$248,601.36
GS Holdings	\$287,647.50

Prices include a 10% contingency allowance and 5% GST.

M. Pidherney's Trucking Ltd. was the lowest compliant tender submitted for this project. Tagish Engineering Ltd. respectfully recommends that the Town of Stettler award this project to M. Pidherney's Trucking Ltd.

Town Manager R. Stoutenberg noted that this project is cost shared with the D. Peters industrial subdivision.

Town Manager, R. Stoutenberg further advised that the overall project cost is below budget estimates: including tendered costs as well as engineering services.

Motion 09:05:09

Moved by Councillor Thorogood that the Town of Stettler Council award the 46 Avenue Industrial Subdivision, Road & Drainage Improvements Tender to M. Pidherney's Trucking Ltd. at a cost of \$172,488.67.

MOTION CARRIED (5-1) with the
abstention of Mayor Hunter
Opposed: Councillor Dennis

Mayor Hunter returned and reassumed the chair.

7. **Council:**

Mayor and Councillors outlined highlights of meetings they attended.

(a) Mayor Hunter

- Apr 22 - Meeting with Shaw Cable.
- Water Strategic Planning Meeting.

- Apr 24 - Town Office duties.

- May 1 - Spoke with Grade 6 Class.
- Town Office duties.

(b) Councillor Campbell

- No meetings to report.

(c) Councillor Dennis

- Apr 22 - Water Strategic Planning Meeting.
- Apr 23 - Site Meeting for Joint Town Building.

(d) Councillor Garbutt

- No meetings to report.

(e) Councillor Peeples

- Apr 22 - Water Strategic Planning Meeting.
- Apr 28 - Tour of Affordable Housing Apartment.

(f) Councillor Richards

- Apr 23 - Sports Park Fundraising Meeting.

(g) Councillor Thorogood

- Apr 23 - Sports Park Fundraising Meeting.

8. **Minutes:**

- (a) Stettler Town & Country Museum Meeting of March 18, 2009
- (b) Heartland Beautification Committee Meeting of April 2, 2009
- (c) Regional Water Strategic Planning Committee Meeting of April 22, 2009

Motion 09:05:10

Moved by Councillor Peeples that the Minutes, items 8(a) to 8(c) inclusive be accepted for information.

MOTION CARRIED
Unanimous

9. **Public Hearing:**

- (a) None

10. **Bylaws:**

- (a) 1987-09 re: To Authorize the Rates of Taxation for the 2009 Taxation Year

Mayor Hunter advised that the 2009 Tax Rate Bylaw imposes a tax in respect of property in the municipality to raise revenue to be used toward the payment of expenditures set out in the 2009 Operating Budget.

Motion 09:05:11

Moved by Councillor Campbell that the Town of Stettler Council give first reading to Bylaw 1987-09.

MOTION CARRIED (4-3)
Opposed: Mayor Hunter and
Councillors Richards & Dennis

Motion 09:05:12

Moved by Councillor Thorogood that the Town of Stettler Council give second reading to Bylaw 1987-09.

MOTION CARRIED (4-3)
Opposed: Mayor Hunter and
Councillors Richards & Dennis

Motion 09:05:13

Moved by Councillor Peebles that the Town of Stettler Council give permission for third and final reading to Bylaw 1987-09.

MOTION CARRIED
Unanimous

Motion 09:05:14

Moved by Councillor Garbutt that the Town of Stettler Council give third and final reading to Bylaw 1987-09.

MOTION CARRIED (4-3)
Opposed: Mayor Hunter and
Councillors Richards & Dennis

11. **Correspondence:**

- (a) 2009 Municipal Sustainability Initiative Program Changes
- (b) 2009 Transportation Grant Program
- (c) Province Builds on Albertans' Donations to Non-Profits
- (d) Province Strengthens Library Access Through Increased Funding

Motion 09:05:15

Moved by Councillor Thorogood that correspondence items 11(a) to 11(d) inclusive be accepted for information.

MOTION CARRIED
Unanimous

12. **Items Added:**

- (a) None

13. **In-Camera Session:**

- (a) There was no In-Camera Session at this meeting.

14. **Adjournment:**

Motion 09:05:16

Moved by Councillor Campbell that this regular meeting of the Town of Stettler Council be adjourned.

MOTION CARRIED
Unanimous at 8:10 p.m.

Mayor

Assistant CAO