

## MINUTES

Of the Finance & Economic Development Committee meeting held Monday, 18 April 11 at 9:00 a.m., at the M.D. Council Chambers, with the following persons present:

Councillors: Dene Cooper, Chairman      Paul Ryan  
                 Erik Butters                              Reid Thomas  
                 Carolyn Montgomery

Administration:      Martin Buckley, C.A.O.  
                                 Katherine Van Keimpema, Director of Finance

### CALL TO ORDER

The meeting was called to order at 9:00 a.m.

#### A.      **AGENDA**

Moved by E. Butters that the agenda be adopted as circulated.

CARRIED

#### B.      **MINUTES**

1. Moved by P. Ryan that the minutes of the 26 Jan 11 Finance & Economic Development Committee meeting be adopted with the following amendment:

-Page 6, third paragraph, change to read "The Committee discussed.....Administration was directed to speak to the auditors.....".

CARRIED

#### C.      **BUSINESS ARISING FROM THE MINUTES/NOTES**

1. The issue of retroactive (reserve) interest allocation was discussed: the discussion included (briefly) comments regarding an understanding of how internal borrowing happens, and pre-payments within reserve accounts.

Moved by R. Thomas that the Committee recommend to Council that the change in interpretation of internal allocation of interest be done on a "go forward" basis, and not retroactively, and that the Finance Policy F-10 be amended to reflect interest allocation more clearly.

CARRIED

## D. DELEGATIONS

1. Frank Watson, Bow Valley Property Valuators (“BVPV”, the M.D.’s contracted assesment company), spoke to the Committee about assessment issues. He noted that BVPV had become the joint assessors for the Towns of Banff and Canmore, and the M.D. of Bighorn, in 2003.

He went through his report, discussing the assessment breakdown, income based assessments, exempt properties, assessment appeals, and other matters.

Moved by C. Montgomery that the 18 April 11 Property Assessment Process report, prepared by F. Watson, Bow Valley Property Valuators, be accepted as information.

CARRIED

The Committee thanked Mr. Watson for his presentation.

## E. FINANCE


1. The 2010 Budget vs. Actual Capital Expenditure report was discussed and accepted as information.
2. The current methods of financial reporting to Council, at regular meetings, was discussed; samples from Cochrane and Canmore were reviewed, as was the notation on the level of financial reporting done by Rocky View County. It was noted that these three municipalities’ Councils received financial reports on a quarterly basis.

After lengthy discussion, it was indicated that M.D. Council would continue to receive the Cheque Register on a monthly basis, but that the current monthly Budget vs. Actual Spending reports would be replaced by the following quarterly reports:

-Capital Projects Report, with the following columns: Project name, budgeted cost, YTD expenditures, Variance (in dollars/percentage), Projected Year-End cost, and Revenue Source; a second page would be included with a brief (one sentence) commentary. The Town of Cochrane’s report would be used as a model for the Capital Projects Report.

-Operating Budget Report, with the following columns: Department (to match up with the tabs in the Budget binder), Budgeted Revenues, Budgeted Expenditures, Net Cost, YTD, Variances, Projected Year-End, and brief commentary as necessary. Again, the Town of Cochrane’s report would be used as a model for this report.

-Reserves Management Report, with the following columns: Opening balance in each reserve account, amounts coming out (expenditures), amounts going in (contributions), projected year-end balance. It was noted this Report would likely not start being produced until after the mid-point in the calendar year.



Due to timing, Administration stressed that there would be a lengthy delay in the quarterly reports coming to Council: for example, while the end of the second quarter would be June 30<sup>th</sup>, it would not be possible to receive all invoices/costs in time to produce the Q2 reports for the July Council meeting, and therefore Q2 reports would not go to Council until August. This was acknowledged by Council.

3. The recent Council Discretionary grants requests and Policy CS-8, the M.D. Grant Policy, were reviewed; the requests were discussed at length.

Moved by E. Butters that the Committee recommend, to M.D. Council, a \$800 donation to the Bow Valley SPCA, calculated on a per-capita basis (for that part of the M.D. benefiting from the Bow Valley SPCA) and upon the Town of Canmore's donation; and further based upon the justification discussed at the meeting.

CARRIED

The issue of a donation to Cause Canada, for the 2012 International Day for Persons with Disabilities' activities, was left in abeyance: Administration was asked to determine the level of participation from other municipalities, and recommend a suitable donation to Council (in the \$1,000 - \$1,500 range).

4. The 2011 Taxation Rate bylaw was discussed at length. It was noted that, having received earlier direction for a 2.4% maximum increase in taxation, the increase would not be a uniform increase on all assessment classifications, given that some assessments had decreased while others had increased.

The Committee also discussed the issue of the spread between residential and non-residential taxes: it was noted this spread had been growing, over the past ten years. The Committee agreed to keep the spread from increasing.

Finally, the Committee discussed the issue of the minimum tax rate, which was recommended to move to \$40.00, following two years at \$35.00. It was requested that Administration provide a report outlining the total cost of producing assessment and taxation notices, and an indication of the number of properties affected by the minimum tax situation. It was agreed to leave the minimum tax at \$35.00, and consider sending a notice regarding the move of the minimum tax to \$40.00 in 2012.

The Committee acknowledged the work of the Director of Finance in preparing the 2011 Taxation Rate report, and thanked her for her efforts.

5. The Debt Management report was accepted as information as circulated.
6. Future meeting dates for the Finance & Economic Development Committee were discussed: it was noted that there was a considerable amount of work to be done, over the next few months. It was agreed that the Committee would meet once a month, on the fourth Tuesday (all day) each month, commencing with May 24<sup>th</sup>, to follow-up on the 5/6 Jan Strategic Planning material.



Subsequent meetings would deal with such issues as reserves management, taxation planning, debt management, 2012 and future budgets, etc.

**F. INFORMATION**

1-4 Items 1-4 were accepted as information.

**G. INCAMERA**

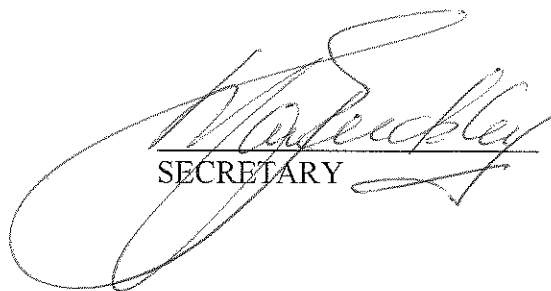
There were no incamera items on the Agenda.

**ADJOURNMENT – NEXT MEETING DATE**

Next meeting: **Tuesday, May 24<sup>th</sup>, 9:00 – 4:30**

The meeting adjourned at 1:55 p.m.

  
CHAIRPERSON

  
SECRETARY