

R.M. OF LUMSDEN No. 189
MINUTES OF THE FINANCE COMMITTEE MEETING
HELD ON MAY 1st, 2014

The Lumsden Rural Municipal Finance Committee convened a meeting in the Council Chambers of the Municipal Office, on the evening of Thursday, May 1st, 2014 at 7:02 p.m.

Present:	Chairman:	Kent Farago
	Reeve:	Jim Hipkin
	Councillor:	Ian White
	Chief Administrator	
	Officer:	Darcie Cooper
	Financial Officer:	Sheena Carrick
	Mgr. of	
	Public Works:	Leighton Watts
		Adri Vandeven

Sheena Carrick, Financial Officer reviewed the written report prepared by herself and CAO Darcie Cooper for the Finance Committee including proposed 2014 budget, financing options and additional revenue options provided for through legislation.

The Committee agreed to propose the following for inclusion in the 2014 budget:

- Mill Rate increase of .75 mill which will represent about a 6.4% taxation increase using the current taxation model for a total mill rate of 12.46 – additional revenue generated will be approx. \$150,702
- **Transfer to Reserves**
 - **New:** Transfer to Deer Valley Infrastructure Reserve \$95,000 (representing 30% of tax revenue generated from Deer Valley)
 - Transfer to the Deer Valley Hamlet Allotment \$26,000
 - **New:** Transfer to a New Infrastructure Renewal Reserve of \$100,000 for funding future capital projects ie) clay capping, bridge work, etc.
 - Transfer to Grid 734 Reserve of \$473,806 representing \$200,000 off site servicing fee (this is an unknown, unsecure revenue source), \$101,400 New Deal Grant Funding, \$172,406 funded through the mill rate
 - Transfer to the Capital Trust Fund/Equipment Reserve of \$103,000
 - Total Transfers to Reserves and CTF: \$797,806
- **Transfer from Reserves:**
 - Payment of the new Grader through the Capital Trust Fund Reserve Transfer \$193,100
 - Purchase an older truck for hauling rocks, etc. to avoid damaging the new dump truck \$10,000 through the Capital Trust Fund Reserve Transfer
 - Transfer from Prior Years Surplus of 87,500 representing \$15,000 for Colhoun Exp. Land purchase that was budgeted for last year and \$72,500 to fund divisional projects
 - Transfer from Deer Valley Hamlet Allotment Reserve of \$15,000 to fund the Crack Sealing proposed in Division 2 budget
 - Transfer from the Infrastructure Reserve (Grid 734) of \$235,000 to fund the hot mix overlay and patching work on Grid 734 and Deer Valley Road
 - Total Transfer From Reserves, CTF and Surplus \$555,600
- Continuation of payment of the grader loan for the grader we are trading in (detailed explanation below)
- Construction of the new cold storage building funded through the mill rate - \$106,000
- Budget calls for a **\$38,867 surplus** – budgeting for a surplus each year will ensure the fiscal health of the operating account to avoid or decrease the use of a line of credit
- Includes dust control for 15 sites @ \$500/site = Net impact 3,750
- PREP Program – new considerations by the PREP board of 245 eligible sites and grant funding increase resulted in a decrease of 14,500 to this budget
- Inclusion of a bucket with Teeth for Skid Steer \$1,500

Other Recommendations:

The Committee recommends the following to Council:

- Council repeal the bylaw establishing the old Capital Trust Fund adopted in 1980 and change the Capital Trust Fund to the Equipment Reserve for clarity and transparency as to the purpose of the reserve
- Change the name of the Infrastructure Reserve to the Pavement Reserve
- Creation of an Infrastructure Renewal Reserve for future improvement projects ie) clay capping, bridge work, etc.

KE
PC

- Approach the Town of Lumsden to contribute towards the gravelling of Minerva Ridge road and the road connecting Minerva Ridge road with the Minerva Ridge road due to the fact that the Town has designated that the truck route for the subdivisions at the top of the hill and due to increase traffic from the James St. S. road construction project
- That an evaluation of Grid 734 between Lumsden and No. 11 hwy be done by Public Works to see if it would be better to increase spending on hot mix work to address the increased failures noticed this year. The work would be financed through the Reserve.
- Approach Perry Reavely with the Critter Gitter to see if he would be interested in taking the training required to be qualified as a pest control officer

General Discussion – other Funding Sources:

The Committee is not interested in exploring alternative funding options such as Additional Service Areas and Local Improvement Projects.

In Camera:

White: "That we agree to go in camera at 8:36 p.m., with staff excluded"

CARRIED

Reconvene:

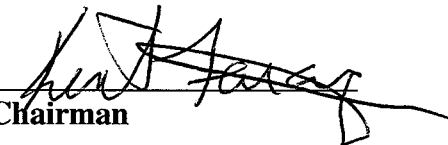
Hipkin: "That we reconvene the meeting at 8:45 p.m."

CARRIED

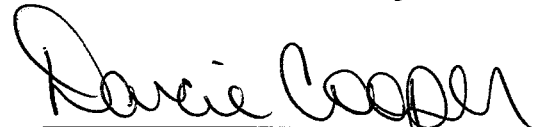
Adjournment:

White: "That we adjourn the meeting at 8:46 p.m."

CARRIED



Chairman



Chief Administrator Officer