

**MINUTES OF THE SPECIAL MEETING OF COUNCIL  
TUESDAY MARCH 13, 2007 at 9:30 a.m.  
HELD AT THE LATCHFORD TOWN OFFICE COUNCIL CHAMBERS**

**1. Call to order and mayoral comments.**

**PRESENT:**

**Council:** Mayor Peter Davies, Councillor Mac Hamilton, Councillor Gordon Lomax, Councillor Maxine Cannon, Councillor Jim Bennett

**Regrets:** Councillor Mike Cole; Councillor Larry Anderson

**Ministry of  
Municipal Affairs  
And Housing:** Gord Tokaryk, Municipal Advisor

**Staff:** Betty Gibson, Clerk-Treasurer

**Public:** None

**Press:** None

**2. Adoption of the agenda as circulated**

**Resolution No.:** 07/100

**Moved By:** Jim Bennett

**Seconded By:** Maxine Cannon

**Be it resolved that** the March 13, 2007 Agenda be adopted as circulated.

**CARRIED**

**3. DECLARATION OF PECUNIARY INTEREST/CONFLICT OF INTEREST:**

NONE

**4. Adoption of the Minutes**

**Resolution No.:** 07/101

**Moved By:** Maxine Canon

**Seconded By:** Gord Lomax

**Be it resolved that** the minutes of the Regular Council Meeting held March 1, 2007 be deferred to the next regular meeting of council.

**CARRIED**

**5. DELEGATIONS:**

This special meeting of council was convened at the request of Gord Tokaryk, Ministry of Municipal Affairs and Housing, to review the following items:

- Financial Update
- 2005 Financial Information Return – 5 indicators
- New accounting reporting for municipalities by 2010
- Bill 130 – an overview

Following is a summary of the above noted items, and other significant items of discussion:

(i) Council Meeting – Definition

It was confirmed that if there is a quorum of council at a meeting, whether it is called by Council, the Ministry, or another party, it is still considered a council meeting and a notice/agenda must be posted and minutes must be recorded.

(ii) In-Camera Meetings

It was confirmed that all in-camera meetings must have recorded minutes, pursuant to Bill 130. Mr. Tokaryk advised that because in-camera meetings are council meetings the Clerk should be in attendance. The question arose concerning a scenario where council would be dealing with the Clerk's salary for example, and Mr. Tokaryk confirmed that the Clerk would remain in the meeting as Council should not have a problem discussing and explaining their decisions to the Clerk.

Mr. Tokaryk suggested circulating the In-Camera minutes on a particular colour of paper and place in sealed envelopes marked CONFIDENTIAL.

(iii) Progress

Mr. Tokaryk stated that the Town of Latchford is making very good progress with policies, etc.

(iv) Financial Update

Mr. Tokaryk provided the following information:

- The Ministry of Municipal Affairs and Housing and the Ministry of Finance are the bodies that review the finances of a municipality.
- "Forecast" - A model must be developed to outline the Town's forecast for the future; allocate a spending percent per month
- The ASYST system will show how much we are spending each month as compared to the budgeted figure (once 2006 is finalized and the audit complete)
- Area Rating is now legal, and the Town must research this further

(v) Financial Information Return

- The Ministries review the Financial Information Returns (FIR) and financial statements which are produced by the auditor. The FIR contains detailed information, while the Financial Statement is a consolidated version.
- The 2006 Financial Indicator Review (for the year 2005) was studied, and Mr. Tokaryk explained that certain items show a high risk and those risks were clarified by Council as follows:
  - (a) Temporary Loans for Current Purposes as a % of Municipal Operating Expenditures: Capital Projects – Recreation Centre, Water Treatment Plant; unusually high legal fees.
  - (b) Total Reserves and Discretionary Reserve Funds per Household: Council used reserves for part of their share of Recreation Centre Project and the Water Treatment Plant; and also the legal fees.
  - (c) Net Contributions to Reserves and Discretionary Reserve Funds as a % of Total Operating and Capital Expenditures: Council is committed to increasing funds dedicated to "reserves" and the positive results will show in the 2006 audit.
  - (d) Total Taxes Receivables as a % of Total Taxes Levies (LT/ST only): This was mostly due to two properties with large tax arrears – one property sold and one property now vested in the Town.
- The Town should have the auditor come as early as possible after the year end is complete i.e. end of February.

(vi) Committees

Committees should be running meetings in accordance with the Procedural by-law. The Committee establishes recommendations to Council to for their endorsement.

(vii) Municipally Owned Lots

Council asked why a municipality who owned lots in another municipality would not pay taxes. Gord Tokaryk advised he would look into this.

(viii) Official Plan / Zoning By-law

The Official Plan is outdated. Mr. Tokaryk advised the Town to contact Edward Landry, MMAH Planner to obtain input on the steps to be taken.

(ix) New Accounting for Municipalities

Fund accounting will be replaced by accrual accounting, similar to private enterprise accounting. The new PSAB rules state that every municipality must evaluate every asset i.e. roads, water treatment plant, trucks, backhoe, buildings, chairs, desks, property, historical artifacts, etc. The assets must be depreciated from the original value and a depreciation chart must be developed by the municipality. This new accounting procedure will be effective January 1, 2009.

Budget procedures will change as there will be no "funds" i.e. reserve funds. Municipalities must budget for depreciation. There will be no reserve funds and any extra revenue will go into surplus that may be identified for various items.

Major changes with the General Ledgers will be the requirement to have a new group of accounts to cover all the "assets".

The Clerk/Treasurer will call ASYST regarding the new accounting procedures.

**6. COUNCIL COMMITTEE/MAYOR/CLERK REPORTS:  
NONE**

**7. CORRESPONDENCE**

**A. Action Items**  
None

**B. Information Items**  
NONE

**8. ONGOING BUSINESS  
NONE**

**9. NEW BUSINESS**

**10. BY-LAWS**

**By-Law No. 780/07**

**Resolution No. 07/102**

**Move By:** Jim Bennett

**Seconded By:** Maxine Cannon

**Be it resolved that** By-Law No 780/07 being a by-law to confirm certain proceedings of Council of the Corporation of the Town of Latchford for the special meeting held March 13, 2007 be taken as read a first, second and third time and finally passed by the Council of the Corporation of the Town of Latchford.

**CARRIED**

**11. CLOSED MEETING**  
NONE

**12. ADJOURN**

**Resolution No. 07/103**

**Moved By:** Gord Lomax

**Seconded By:** Maxine Cannon

**Be it resolved that** Council now adjourn at 12:40 p.m. until the next regular meeting or call from the Mayor.

**CARRIED**

**Dated at Latchford this 28<sup>th</sup> day  
of March, 2007.**

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**Mayor**

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**Clerk-Treasurer**