

# Village of Gadsby Council Meeting

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*Held Thursday, July 18, 2019 at 7:00 p.m at the Gadsby Bulk  
Water Station, Gadsby AB*

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|   |   |
|---|---|
| 1. <b>Call to Order</b>   |   |
| 2. <b>Agenda Additions and Approval</b>                           |   |
| 3. <b>Minute Approval</b>   |   |
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| 4. <b>Delegation</b>  |   |
| 5. <b>Correspondence</b>  |   |
| 6. <b>Old Business</b>  |   |
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| 8. <b>Bylaws</b>  |   |
| 9. <b>Policies</b>  |   |
| 10. <b>Reports</b>  |   |
| 10.1. YTD Budget - June 30, 2019 .....                            | 7 |
| 10.2. Public Works Report .....                                   | 9 |
| 11. <b>Next Meeting</b>   |   |
| 12. <b>Adjournment</b>  |   |

**Minutes of the Regular Meeting of the Village of Gadsby Council held on Wednesday, June 26 2019 at  
7:30 p.m. at the Village of Gadsby Community Hall.**

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Present: Official Administrator Harold Johnsrude  
Chief Administrative Officer Yvette Cassidy  
Andrew Brysiuk, Director of Technology  
Christa Cornelssen, Director of Finance  
Sharon Larsen, Tax and Assessment Clerk

Call to Order:

Official Administrator Harold Johnsrude called the meeting to order at 7:01 p.m.

Official Administrator Harold Johnsrude made introductions, summarized the interim governance of the Village of Gadsby, and described the meeting procedure.

Approval of Agenda:

361.06.26.19 Moved by Official Administrator Harold Johnsrude that the June 26, 2019 Council Meeting agenda be approved as presented.

CARRIED

Approval of Minutes:

362.06.26.19 Moved by Official Administrator Harold Johnsrude that the May 8, 2019 Draft Regular Council Meeting Minutes be received for information.

CARRIED

363.06.26.19 Moved by Official Administrator Harold Johnsrude that the May 30, 2019 Special Council Meeting Minutes be approved as amended, correcting motion 358-05-30-19 to indicate the motion was moved by Official Administrator Harold Johnsrude.

CARRIED

Correspondence

364.06.26.19 Moved by Official Administrator Harold Johnsrude, that the Village of Gadsby Council accept the following Correspondence items, as presented:

1. Alberta Municipal Affairs – Draft Open Letter to Residents
2. Alberta Municipal Affairs – Viability Review

CARRIED

New Business

**2019 Revised Operating Budget**

Administration presented the 2019 Revised Operating Budget, which projected no change to the municipal tax rate from 2018 levels and included changes from the approved budget necessitated by the transition to the administrative contract.

365.06.26.19 Moved by Official Administrator Harold Johnsrude that the Village of Gadsby Council adopt the 2019 Revised Operating Budget projecting a \$30 net surplus comprised of \$114,043 of revenue, \$173,478 of expenses, and \$59,465 of cash flow adjustments.

CARRIED

Bylaws

**2019 Tax Rate Bylaw**

Administration presented the 2019 Tax Rate Bylaw, which maintains the municipal tax rate at 2018 levels.

366.06.26.19 Moved by Official Administrator Harold Johnsrude that the Village of Gadsby Council Read Bylaw 429-19, the 2019 Tax Rate Bylaw, for a first time.

CARRIED

367.06.26.19 Moved by Official Administrator Harold Johnsrude that the Village of Gadsby Council Read Bylaw 429-19, the 2019 Tax Rate Bylaw, for a second time.

CARRIED

368.06.26.19 Moved by Official Administrator Harold Johnsrude that the Village of Gadsby Council proceed to third reading of Bylaw 429-19, the 2019 Tax Rate Bylaw.  
CARRIED (Unanimously)

369.06.26.19 Moved by Official Administrator Harold Johnsrude that the Village of Gadsby Council Read Bylaw 429-19, the 2019 Tax Rate Bylaw, for a third and final time.  
CARRIED

Reports

370.06.26.19 Moved by Official Administrator Harold Johnsrude that the Chief Administrative Officer's Report be received for information.  
CARRIED

Next Meeting

371.06.26.19 Moved by Official Administrator Harold Johnsrude that the date of the next Village of Gadsby Council Meeting is set for Thursday, July 18 at 7:00 pm at the Gadsby Hall  
CARRIED

Citizens Forum

Official Administrator Harold Johnsrude opened the floor to the public for a Question and Answer session.

Discussion included: How utility billing and payments would continue to work, whether the Gadsby office would remain open, status of ongoing infrastructure projects and deficiencies, location of post office boxes, request to see the whole financial picture of the Village, bylaw enforcement, communications strategy, and cost of administrative contract.

Adjournment:

372.06.26.19 Moved by Official Administrator Harold Johnsrude the meeting be adjourned at 8:10 p.m.  
CARRIED

\_\_\_\_\_  
Official Administrator

\_\_\_\_\_  
Chief Administrative Officer

### Issue

The Village of Gadsby should appoint an Auditor for the year ending December 31, 2019.

### Recommendation

That the Village of Gadsby Council appoint Chapman and Co Professional Accountants LLP.

### General

The Municipal Government Act requires that Council must appoint one or more auditors for the Municipality. In the past, Chapman and Co Professional Accountants has been the firm to service the Village of Gadsby. As the County of Stettler has only been administering the Village since June, we feel engaging Chapman and Co will provide necessary continuity.

### Financial

Audit fees have been included as part of the 2019 Operating Budget.

### Policy/Legislation

Under the authority of the Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26

#### Section 280 - Auditors

- (1) Each council must appoint one or more auditors for the municipality.
- (2) Each council must appoint one or more auditors for each of its controlled corporations if there is no statutory requirement for an audit of the accounts of the controlled corporation.
- (3) A council may not appoint a councillor, an employee of the municipality or an employee of one of its controlled corporations to be an auditor.
- (4) The council of the City of Edmonton or of the City of Calgary may, on the approval of the Minister, appoint by bylaw an employee of the municipality to be the auditor for the municipality if the person is a chartered professional accountant and reports directly to the council.

#### Section 281 - Auditor's reports

- (1) The auditor for the municipality must report to the council on the annual financial statements and financial information return of the municipality.
- (2) The reports on the annual financial statements and financial information return must be in accordance with
  - (a) Canadian generally accepted accounting principles for municipal governments, which are the standards approved by the Public Sector Accounting Board included in the CPA Canada Public Sector Accounting Handbook published by the Chartered Professional Accountants of Canada, as amended from time to time, and
  - (b) any modifications of the principles referred to in clause (a) or any supplementary principles established by the Minister by regulation.
- (3) The auditor must separately report to the council any improper or unauthorized transaction or non-compliance with this or another enactment or a bylaw that is noted during the course of an audit.
- (4) The council or the Minister may require any further examination and report from the auditor.

### Issue

Three unbudgeted issues have arisen with the Fourth Street Upgrades that would require change orders to address.

### Recommendation

That the Village of Gadsby Council approve the works to lower the Paintearth Gas Co-Op line along Fourth Street as required, at an estimated expense of \$3,852.00 to be applied against the Federal Gas Tax Grant.

AND

That the Village of Gadsby Council approve the change order to construct an approach from Fourth Street onto lot 20, block 4, plan 153Z, at an estimated expense of \$3,522.00 to be applied against the Federal Gas Tax Grant.

AND

That the Village of Gadsby Council approve the change order to replace twin culverts crossing Railway Avenue east of Fourth Street, at an estimated expense of \$16,273.00 to be applied against the Federal Gas Tax Grant.

### General

Each of the changes expand on the original Road and Drainage Project as approved by the Village of Gadsby Council at their March 2019 Regular Council Meeting.

#### Lower Gas Line

Ditches were cut without seeking advice and crossing agreements from the Paintearth Gas Co-Op where the ditches crossed gas lines. Administration has received a quote from the gas coop to lower a gas line where the cover was removed leaving it too shallow to accommodate a ditch. There is a second location that the hydrovac is required to confirm cover as its depth is not apparent from the surface. This work will be performed directly by the Paintearth Gas Co-Op.

#### Construct Additional Approach

Public Works has identified that an approach to an occupied lot was not constructed as part of the upgrades and should have been as this developed property does not have access to the new street – only alley access as with the other properties. Carbon Earthworks Ltd. will undertake this work.

#### Replace Twin Culverts

There are twin culverts that were to be extended as part of this project to accommodate the new ditching. On initial excavation, they were found to be totally rotted in the floor of the pipes – this condition was not noted earlier as the pipes were silted in and floors were not visible and the rest of the pipe looked good. These pipes cannot be extended to meet the project objectives without replacement. Carbon Earthworks Ltd. will undertake this work.

## Financial

| <i>Change</i>              | <i>Amount</i>      |
|----------------------------|--------------------|
| <i>Lower Gas Line</i>      | <b>\$3,852.00</b>  |
| <i>Additional Approach</i> | <b>\$3,522.00</b>  |
| <i>Replace Culverts</i>    | <b>\$16,273.00</b> |
| <i>Total</i>               | <b>\$23,647.00</b> |

Administration has confirmed that these project are admissible under the Federal Gas Tax Grant.

## Policy/Legislation

Under the authority of the Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26

### Section 248 – Expenditure of Money

- (1) A municipality may only make an expenditure that is
  - (a) included in an operating budget, interim operating budget or capital budget or otherwise authorized by the council,
  - (b) for an emergency, or
  - (c) legally required to be paid.

### Excerpt of the Minutes of the Village of Gadsby’s March 2019 Regular Council Meeting

#### Road and Drainage Project Contractor

331-03-21-19 Moved by Mayor Dan Tuck

“that at the recommendation of MPE Engineering, Council accept the Tender Bid, in the amount of \$260,989.25, from Carbon Earthworks LTD to complete the Street and Drainage Improvement project.”

# Village of Gadsby Year to Date Budget

*As of June 30, 2019*

| <i>Account</i>                               | <i>Revised Budget</i> | <i>Actuals</i>     |
|--|-----------------------|--------------------|
| <b>REVENUE</b>                               |                       |                    |
| <i>Property Taxes</i>                        | \$65,500.00           | \$3,706.98         |
| <i>Penalties on Taxes</i>                    | \$1,000.00            | -                  |
| <i>Franchises &amp; Concession Contracts</i> | \$4,000.00            | -                  |
| <i>Ambulance Rent</i>                        | \$100.00              | -                  |
| <i>Water Revenue</i>                         | \$10,500.00           | \$5,737.63         |
| <i>Sewer Revenue</i>                         | \$4,500.00            | \$2,350.00         |
| <i>Interest Revenue</i>                      | \$12,000.00           | \$7,295.97         |
| <i>MSI Operating</i>                         | \$16,443.00           | -                  |
| <i>Federal Grants</i>                        | -                     | -                  |
| <i>Provincial Unconditional Grants</i>       | -                     | \$62,700.00        |
| <i>Rebate</i>                                | -                     | \$5,351.84         |
| <i>Royalites</i>                             | -                     | \$46.56            |
| <i>Administration</i>                        | -                     | \$295.49           |
| <i>Dog License</i>                           | -                     | \$40.00            |
| <i>Franchise Fee</i>                         | -                     | \$1,655.56         |
| <i>Late Fees</i>                             | -                     | \$70.00            |
| <i>Sales</i>                                 | -                     | \$450.00           |
| <i>Uncategorized Income</i>                  | -                     | \$25.00            |
| <b>TOTAL REVENUE</b>                         | <b>\$114,043.00</b>   | <b>\$89,725.03</b> |
| <b>EXPENSES</b>                              |                       |                    |
| <i>Council</i>                               |                       |                    |
| <i>Council</i>                               | \$2,500.00            | -                  |
| <i>Admin</i>                                 |                       |                    |
| <i>Admin Wages</i>                           | \$12,000.00           | \$12,489.79        |
| <i>Payroll Expense</i>                       | \$2,000.00            | -                  |
| <i>Admin Contract</i>                        | \$35,000.00           | -                  |
| <i>Bylaw Enforcement</i>                     | \$1,000.00            | -                  |
| <i>Utilities</i>                             | \$3,200.00            | \$4,808.81         |
| <i>Office supplies</i>                       | \$300.00              | \$2,140.24         |
| <i>Insurance</i>                             | \$3,700.00            | \$3,593.20         |
| <i>Membership Dues</i>                       | \$400.00              | \$175.00           |
| <i>Property Assessment Fees</i>              | \$3,400.00            | -                  |
| <i>Audit Fees</i>                            | \$8,000.00            | \$10,400.00        |
| <i>Legal Fees</i>                            | \$5,000.00            | -                  |
| <i>Bad Debt Expense</i>                      | \$500.00              | -                  |
| <i>Amortization</i>                          | \$47,365.00           | -                  |
| <i>Building Repairs and Maintenance</i>      | -                     | \$10,015.68        |
| <i>Telephone</i>                             | -                     | \$1,043.12         |
| <i>Travel and Subsistance</i>                | -                     | \$358.56           |
| <i>Bank Charges</i>                          | -                     | \$91.40            |
| <i>Advertising and Promotions</i>            | -                     | \$98.96            |
| <i>WCB</i>                                   | -                     | \$463.60           |
| <i>Contracted Services</i>                   | -                     | \$24,111.60        |
| <i>Late Penalty</i>                          | -                     | \$0.25             |

|  |                      |                    |
|--|----------------------|--------------------|
| Conference and Training                                | -                    | \$485.00           |
| Fire   |                      |                    |
| Fire Agreement   | \$7,366.00           | -                  |
| Disaster   |                      |                    |
| Disaster Agreement                                     | \$495.00             | -                  |
| Roads  |                      |                    |
| Infrastructure Audit                                   | -                    | \$1,450.00         |
| Engineering Roads                                      | -                    | \$3,014.20         |
| Maintenance (fuel and repairs)                         | \$3,000.00           | \$181.23           |
| Streetlights   | \$4,600.00           | -                  |
| Wages - summer maintenance                             | \$11,000.00          | \$3,212.98         |
| Plowing  | \$1,500.00           | \$1,417.52         |
| Water  |                      |                    |
| Water testing  | -                    | -                  |
| Water purchases  | \$9,000.00           | \$1,792.31         |
| Water meters and repairs                               | \$500.00             | \$864.95           |
| Sewer  |                      |                    |
| Lagoon Maintenance                                     | \$3,200.00           | \$766.25           |
| Lift station repairs                                   | \$500.00             | \$295.00           |
| Planning   |                      |                    |
| Land titles  | \$150.00             | \$175.00           |
| Requisitions   |                      |                    |
| Stettler Waste Management Authority                    | \$2,600.00           | \$650.00           |
| School Requisition                                     | \$4,000.00           | \$974.92           |
| Recreation   | \$600.00             | \$600.00           |
| Housing Authority                                      | \$602.00             | \$602.00           |
| <b>TOTAL EXPENSES</b>                                  | <b>\$173,478.00</b>  | <b>\$86,271.57</b> |
| <b>NET SURPLUS (DEFICIT) PRIOR TO CASH ADJUSTMENTS</b> | <b>\$(59,435.00)</b> | <b>\$3,453.46</b>  |
| <b>CASH FLOW ADJUSTMENTS</b>                           |                      |                    |
| Amortization   | \$47,365.00          | -                  |
| Reserve Transfers                                      | \$12,100.00          | -                  |
| <b>NET SURPLUS (DEFICIT)</b>                           | <b>\$30.00</b>       | <b>\$3,453.46</b>  |



## **Gadsby**

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### **2019 Street and Drainage Improvements**

- Contracted Substantial Performance date (road open for use) August 15, 2019;
- Contracted Total Performance Date: August 30, 2019;
- The Contractor takes full responsibility for the care of the work from commencement of work until date of issue of the Certificate of Substantial Performance of the work – at which time care shall pass to the Owner and road deemed safe for full use by public;
- As this is a new road where no road was previously, past access locations should be used until the new road is deemed complete;
- With the recent rain, project could be held up some;
- Work remaining includes ditch slopes and cleaning, base course re-work and compaction to specification, pavement for surface. Some added work items including an approach, culvert across Railway Ave., gas main lowering on north section of 4 Street.
- Work is underway to identify responsibility for apparent damage to other roads during construction.

### **Mowing**

- Sam is continuing to work through the summer and is responsible for trimming and mowing;
- He is being safety checked and supervised by County mowing supervisor;

### **Water**

- County Utilities department has investigated a possible leak in the alley east of 4 Street and will be following up with repairs;

### **Infrastructure Audit**

- MPE Engineering was contracted by the Village to complete the Infrastructure Audit to assist in viability review process. This work is near complete and “Issued for Review” version should be available within a week;