

MINUTES
OF A REGULAR MEETING OF THE COUNCIL OF
THE VILLAGE OF FERINTOSH
IN THE PROVINCE OF ALBERTA, HELD
WEDNESDAY DECEMBER 16TH, 2009
IN THE VILLAGE OFFICE
COMMENCING AT 7:00 PM

Present Mayor Marvin Jassman
Councilor Ron Dyck (Chair for this meeting)
Councilor Bernice Westfall
CAO Ray Hook

1. Order Mayor Jassman called the meeting to order at 7:02 p.m.

2. Agenda

Res. 111/09 Moved by Mayor Jassman that the agenda be adopted. **Carried**

3. Delegations No delegations

4. Previous Minutes

Res. 112/09 Moved by Mayor Jassman that the Minutes of the Regular Meeting held on Wednesday, 19 November 2009, be approved. **Carried**

5. Financial Report

CAO Hook presented the Monthly Statement of Income & Expenditures for the period ending November 30th, 2009.

Res. 113/09 Moved by Councilor Bernice Westfall that the financial statements be accepted as presented. **Carried**

6. Unfinished Business

- a. The Village Group Accident Insurance Benefit Plan has been procured at an annual cost of \$401. CAO will provide copies of the policy to Council.
- b. The Midwest Consulting Water Line Project is proceeding. Nu Edge hopes to open up MacQuarrie Ave to traffic before Christmas (paving in spring) and finish the water line north from Main street when the weather warms up.
- c. The Hwy 12/21 Water Use Restriction ByLaw that was passed last month (Res 107/09) will be rescinded, as the Commission is reviewing the legality of a single Village CAO having the authority to declare a water shortage without consultation. Pending action...
- d. Approval was received to fund three MSI Operating Projects from grant funding – ByLaw Enforcement (\$4500), Rec Centre Engineering Study (\$7573) and IT related training, software and maintenance contracts (\$7961).
- e. AMIP Grant Funding Update will be provided to the Village for 2008 (\$100,000) as a result of the Project proposals submitted for water line replacement and street / sidewalk improvement projects. The 2009 funding will follow, based on a revised MYCIP early

next year.

- f. A proposal to rent a portion of the curling club for a second hand shop was brought forward from last month's meeting. CAO Hook was tasked to investigate the situation in response to the questions (gas – meter is present, but no hook up and no furnace; water – a new meter would need to be installed and possibly plumbing repairs (renter); electricity - Fortis will be asked to investigate a new pole (at cost?) at curling club; insurance and liability issues will be looked at by CAO and insurers, and the prospective tenant will be advised of the status.

7. Correspondence

Information Items:

- a. A letter from the Minister of Municipal Affairs was read, discussing feedback from his recent consultation session in Camrose in October. Feedback was generally positive.
- b. A Conditional Certificate for the Village of Ferintosh water and waste water facilities was received. It is valid until December 2010, subject to the Village Foreman completing the required testing and examination process.
- c. Provincial funding for Emergency Management Workshops / Exercises is available. Council will await larger centres to organize such training and join them.
- d. The LGAA Annual Conference is from March 17-19, 2010. CAO Hook will attend, as per last year.
- e. The Ferintosh Flyers Hockey Team's proposal was read, considered and discussed by Council. While the effort and interest expressed by the organizers were applauded by Council, there are too many existing, unresolved or unanswerable issues to permit Council to make an informed decision. The two major obstacles are, first, that Council is considering an earlier request to rent the front of the building for a small commercial enterprise, and secondly, that the Village is very concerned about the structural integrity of the building for hockey or skating activities. CAO Hook is to write a letter of explanation to the organizers.
- f. A Budget Update letter was received from the Minister of Municipal Affairs, stating that the Government intends to support all existing grant programs at the same or slightly reduced levels for 2010.

8. New Business

- a. Can-Pak Recycling wants to propose a recycling contract for the Village. CAO briefed on the facts known to date – curb side pick up of bags at a cost of approx \$4 per household. Much detail was not available, but Council is interested in this project and would prefer an all-inclusive service with the monthly costs added to utility bills. CAO to get more detail for next month's meeting.
- b. The Municipal Sponsorship Program (MSP) Grant for 2009 was received earlier this month, with a deadline for applications of Jan 15, 2010. Fortunately, the CAOs of neighbouring villages had already discussed this issue and were able to offer a cooperative joint venture proposal to purchase a sewer flush truck with vacuum system. Council supported this measure fully. With several Villages joining in, additional financial credits can be leveraged from the Province. Bashaw will be the lead in this.

Res. 114/09 Be it resolved that Council authorizes the Village of Ferintosh to participate in a Municipal Sponsorship Program grant application for a sewer flushing unit under the Alberta Municipal Affairs Municipal Sponsorship Program; further

1. That the Village of Ferintosh agrees that the Town of Bashaw be designated the managing partner of the Sewer Flushing Unit (SFU) truck project for the purposes of applying, receiving, administering, allocating, reporting and accounting for the grant funds on behalf of the partners; further
2. That the Village of Ferintosh agrees to allocate \$ 4,737.00 (100 %) of its Municipal Sponsorship Program base grant to the Sewer Flushing Unit Project; and further
3. That the Village of Ferintosh agrees to enter into a Conditional Grant Agreement governing the purpose and use of the grant funds if it is the managing partner or if not agrees to abide by the terms of the Conditional Grant Agreement signed by the managing partner on behalf of the other eligible municipal partners governing the purpose and use of the grant funds.

Carried

- c. New garbage bins are required for the Rec Centre. Several options were discussed and the CAO advised that grant monies could be used to assist the FDRA in obtaining bins to replace the ones removed by the BRSD (School Division).

Res. 115/09 Moved by Councilor Westfall that Council will allot additional MSI Operational Funding (to a maximum of \$1500) to the Ferintosh and District Recreation Association for suitable garbage containers, with the caveat that Council must approve the final choice of bins (they prefer a moulded polyethelene type of container). Further, the FDRA is requested to discuss their choice with the Village Foreman to ensure ease of handling for garbage pick up. **Carried**

- d. The idea of looking at a minimum standard mil thickness for garbage bags was considered. This is because some of the cheaper bags tear very easily in the winter, thus causing much extra work for the Foreman to clean up the mess. The idea is to be tabled until there are more discussions on the recycling contract next month.
- e. Council is required to establish a written policy to prescribe the accounting treatment for tangible capital assets (TCA). A draft was circulated for discussion and it was found suitable (see attached).

Res. 116/09 Moved by Councilor Westfall that the proposed Village Policy for Accounting for Tangible Capital Assets be approved. **Carried**

9. In Camera Session

The Chair moved Council In Camera at 8:40 p.m.

The Chair moved Council Out of Camera at 9:35 p.m.

10. **Other Business**

Res. 117/09

Moved by Mayor Jassman that the draft 2010 Village of Ferintosh Operating Budget, as amended by Council, be approved.

Carried

11. **Adjournment**

There being no further business for Council to address, Mayor Jassman adjourned the meeting at 9:45 p.m.

Approved 13 January 2010

Mayor Marvin Jassman

CAO Ray Hook

VILLAGE OF FERINTOSH

TITLE: Accounting for Tangible Capital Assets
Classification/Capitalization Threshold/Amortization

POLICY #: Res 116/09

EFFECTIVE DATE APPROVED BY COUNCIL: December 16, 2009

RESOLUTION: Be it resolved that Council authorizes the Village of Ferintosh to participate in a Municipal Sponsorship Program grant application for a sewer flushing unit under the Alberta Municipal Affairs Municipal Sponsorship Program.

PURPOSE:

The objective of this policy is to establish a written policy, approved by Council, to prescribe the accounting treatment for tangible capital assets so that users of the financial report can discern information about the municipal investment in property, plant, and equipment and the changes in such investment.

POLICY STATEMENT:

The Village of Ferintosh Council is providing direction for recognizing and recording Tangible Capital Assets (TCA) on a consistent basis in accordance with Public Sector Accounting Board (PSAB) 3150.

A number of recommendations for TCA have been established by Alberta Municipal Affairs and Housing. These recommendations will be adopted by the Village.

TANGIBLE CAPITAL ASSET:

Tangible Capital Assets are non-financial assets having physical substance that:

- Are used on a continuous basis by the Village
- Have useful economic lives extending beyond one year
- Are not for resale in the ordinary course of operations

Subsequent expenditures on a recorded TCA that:

- Increase output or service capacity
- Increase the service life
- lower associated operating costs
- Improve the quality of the output

Should be classified as betterments and capitalized accordingly. Any other expenditure should be consider a repair or maintenance and should be expensed in the period.

AMORTIZATION

The cost, less any residual value of a TCA with a limited life should be amortized over its useful life in a rational and systematic manner. The amortization method and estimate of useful life of the remaining unamortized portion should be reviewed on a regular basis.

SCOPE

This policy applies to the Village and future boards and commissions, agencies and other organizations that will fall within the reporting entity of the Village.

The policy addresses the following:

- Asset classifications (Major & Minor)
- Capitalization threshold for each asset classification
- Amortization method to be used
- Review schedule

The following shows the classes, capitalization thresholds and amortization method to be used

Major Asset Class	Minor Asset Class	Capitalization Threshold	Amortization Method	Review Schedule
Land		All land will be recorded	N/A	N/A
Land Improvements		\$5,000	Straight Line	Every 3 years
Buildings		\$10,000	Straight Line	Every 5 years
Engineered Structures	Roadway System	\$10,000	Straight Line	Every 5 years
	Water System	\$10,000	Straight Line	Every 5 years
	Wastewater System	\$10,000	Straight Line	Every 5 years
	Storm System	\$10,000	Straight Line	Every 5 years
Machinery & Equipment		\$5,000	Straight Line	Every 3 years
Vehicles		\$5,000	Straight Line	Every 3 years
Cultural & Historical		N/A	N/A	N/A

Maximum useful life of assets is outlined as an administrative practice (Schedule A) in consultation with the Village Auditor, and may be revised by administration in consultation with auditor when the appropriateness of a change can be clearly demonstrated.

SCHEDULE "A"

RECOMMENDED MAXIMUM USEFUL LIFE

Major	Asset Classes		Maximum Useful Life
Minor	Sub-Class		
Land			
	Right of Way		
	Undeveloped right of Way		
	Parks		
	General		
Cultural & Historical Assets			
	Public Art		
	Historical		
	Heritage Site		
Land Improvements			
	Parking Lot		
	Gravel		15
	Asphalt		25
	Playground Structures		15
	Landscaping		25
	Fences		20
	Sprinkler Systems		25
	Golf Courses		45
	Tennis Courts		20
	Lakes/ponds		25
	Airport runways		10
	Bike Jogging Paths		
	Gravel		15
	Landfill		
	Pits		Volume
	Pads		Volume
	Transfer Stations		25
	Construction in progress		
Buildings			
	Frame		50
	Metal		50
	Concrete		50
	Construction in progress		

Asset Classes			
Major	Minor		Maximum Useful Life
		Sub-Class 1	
			Sub-Class 2

Engineered Structures			
Roadway System			
		Curb & Gutter	30
		Lanes/alleys – Gravel	15*
		Local/Collector/Arterial/Major Arterial Surface	
		Concrete	30*
		ACP hot mix	20*
		ACP cold mix	10*
		Chip seal	10*
		Oil	5*
		Gravel	25*
		Subsurface	40*
		Road Signs	
		Traffic Control	30
		Information	30
		Lights	
		Decorative	30
		Street	30
		Traffic	30
		Sidewalks and para-ramps	30
		Construction in progress	

Water System			
		Distribution system	
		Mains	75
		Services	75
		Pump, lift and transfer stations	45
		Plants and Facilities	
		Structures	45
		Treatment Equipment	45
		Pumping equipment	45
		Hydrants/fire protection	75
		Reservoirs	45
		Construction in progress	

(*subject to weather conditions)

Asset Classes		
Major	Minor	Maximum Useful Life
	Sub-Class	

Wastewater System		
	Collection system	
	Mains	75
	Services	75
	Pump, lift and transfer stations	45
	Plants and Facilities	
	Structures	45
	Treatment Equipment	45
	Pumping equipment	45
	Lagoons	45
	Construction in progress	

Storm System		
	Collection system	
	Mains	75
	Services	75
	Pump, lift and transfer stations	45
	Catch basins	75
	Outfalls	75
	Wetlands	75
	Retention ponds	75
	Treatment facility	45
	Construction in progress	

Asset Classes		
Major	Minor	Maximum
	Sub-Class	Useful Life

Machinery and Equipment		
	Heavy construction equipment	Variable
	Stores	25
	Food Services	10
	Fire equipment	12
	Control systems	5
	Communication links	20
	SCADA system	10
	Communications	
	Radios	10
	Telephone Systems	10
	Tools, shop and garage equipment	15
	Meters	
	Water	40
	Turf equipment	10
	Ice re-surfacer	10
	Office Furniture & Equipment	
	Furniture	20
	Office equipment	10
	Audiovisual	10
	Photocopier	5
	Computer Systems	
	Hardware	5
	Software	10
	Construction in progress	

Vehicles		
	Light duty	10
	Medium duty	10
	Heavy duty	10
	Fire trucks	25
	Construction in progress	