

Minutes - Finance and Administration



MEETING DATE: August 21, 2007, 2:00 pm
LOCATION: The Blue Mountains Committee Room
PREPARED BY: Stephen Keast, Clerk

A. Call to Order

- Chair Gamble called the meeting to order with all persons in attendance save Councillor Martin, absent due to a previous commitment.
- Also in attendance was Communications & Economic Development Coordinator Lisa Kidd, Financial Analyst Elizabeth Thompson, Capital Accountant Darcy Chapman
- The Committee then dealt with the following Resolution:
Moved by: John McKean Seconded by: John McGee
THAT the Agenda of August 21, 2007 be approved as circulated, including any items added to the Agenda, Carried.
- No member present declared a potential pecuniary Interest with any matter as listed on the Agenda
- The Committee then dealt with the following Resolution:
Moved by: John McGee Seconded by: John McKean
THAT the minutes of July 24, 2007 be approved as circulated, including any items added to the Agenda, Carried.

B. Deputations / Presentations

None

C. Staff Reports

C.1 The Blue Mountains Chamber of Commerce Volunteer Dinner

Lisa then reviewed the Report, based on a follow up from the last meeting. Presently, Chamber of Commerce has operated the dinner to recognize volunteer and the Chamber now wishes the Town to carry on with the event.

C.4 Tangible Capital Assets, FS.07.32

Darcy reviewed Report, previously reviewed by Senior Management Team.

Chair Gamble then questioned how value and replacement costs of assets will be considered by the Province, Darcy noting that is the concern with the program as there are only very general guidelines only at present, adding traditionally, public sector business operates differently than private sector.

Darcy noted completing the Town's Asset Register in 2008 will be a significant project, adding some pilot projects having recently been completed on a trial basis across the Province.

Darcy advised that the Auditor will indicate whether an asset appraisal will be acceptable for audit use but cannot provide detailed advice, the auditor being at arm's length from the financial information to be provided.

Councillor McKean then questioned if the Town was to determine the original cost of any asset, estimate the life span and then determine the current depreciation level, Darcy replying yes, adding the process will be beneficial to long-term capital planning, the difficulty being the establishment of original and current value of all Town assets.

Councillor Martin then noted concern if the Asset Register is only used to determine the level of Provincial grant funding, it may be a tremendous waste of time and funds.

Darcy then noted the Public Sector Accounting Board requirement to complete the Asset Register is not political but would now be required by our lending institution or to determine any credit rating.

Councillor McGee then questioned if historical cost is required for all assets, Darcy replying yes, in order to determine current value and determine depreciation, with financial statements to show assets and liabilities in the form of depreciation with the result being owner's equity or surplus, with 20 year projections then made based on asset replacement and annual projected expenditures.

Councillor McKean advised that the Town may be in a deficit situation with regard to historical value of Town road assets, given few Town roads have been re-constructed in the recent past.

Councillor Martin then questioned how a road allowance would be valued, Darcy confirmed that road allowance land value will be taken as \$1.00, with any construction improvements and infrastructure taken as value added.

