

**The Special Meeting of Council was held on Thursday, September 29<sup>th</sup>, 2011 at 12:00 NOON in the Council Chambers.**

**Present:** Mayor Schofield, Deputy Mayor Maher, and Councillors Wallington, Langille, O'Brien Dueck and Latour.

**Staff:** May-Britt Hetesi – Assistant Senior Administrative Officer, John Holland – Director of Finance, and Tammy Buchanan – Director of Recreation & Community Services.

**Absent:** Councillor Cassidy.

**1. CALL TO ORDER:**

This Meeting was called to order at 12:03 PM with Mayor Schofield presiding.

**2. ADOPTION OF AGENDA**

**#11-421 MOVED BY: DEPUTY MAYOR MAHER  
SECONDED BY: CLLR LANGILLE**

That the Council of the Town of Hay River accepts the Agenda for the September 29<sup>th</sup>, 2011 Special Meeting of Council as presented.

**CARRIED**

**3. DECLARATION OF INTEREST**

There were no declarations of interest for the Special Meeting of Council, Thursday, September 29<sup>th</sup>, 2011.

**4. Tender for Janitorial Services October 1, 2011 – September 30, 2013**

The Tender for Janitorial Services for the Town Hall Office closed on September 9, 2011 at 3:00 PM. Only one tender was received from Linda Antony o/a LM Services for the fee of \$7,000.00 per month.

The tender amount was well in excess of the amount budgeted for Janitorial Services is in excess of what Administration felt reasonable for the services provided.

On September 16, 2011 Administration met with Ms. Linda Antony to discuss her tender and negotiate a more suitable monthly fee. Ms. Antony proposed \$3,000.00 per month for the two year contract commencing on October 1, 2011

**#11-422 MOVED BY: CLLR CASSIDY  
SECONDED BY: CLLR O'BRIEN**

**That the Council of the Town of Hay River award the contract for Janitorial Services of the Town Hall Office for the period covering October 1, 2011 – September 30, 2013 to Linda Antony o/a LM Services at the rate of \$3,000.00 per month.**

**TABLED**

**#11-423      MOVED BY: DEPUTY MAYOR MAHER  
                  SECONDED BY: CLLR LANGILLE**

**That the Council of the Town of Hay River re-tender for Janitorial Services and include the Town of Hay River's Budget in the RFP.**

**CARRIED**

**5.      Draft Financial Administration By-law**

Please find attached the draft Financial Administration Bylaw to replace Bylaw No. 2099/GEN/08. It has been reviewed by the Town's auditors and their comments are attached.

Administration is looking to Council for comments before finalizing the Bylaw for submission for readings at a regular meeting of Council.

How does Council wish to proceed?

The draft Financial Administration By-law and the Auditors comments are attached at the back of the Minutes.

**6.      ADJOURNMENT**

**#11-424      MOVED BY: CLLR O'BRIEN**

**That the Special Meeting of Council be adjourned at 12:26 PM.**

**CARRIED**

**Certified Correct as Recorded on the 29<sup>th</sup> day of September.**

**These minutes were accepted by motion#11-427.**

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Senior Administrative Officer

---

**Town of Hay River**  
**Financial Administration Bylaw No. ????/FIN/11**

---

A **BYLAW** of the Municipal Corporation of the Town of Hay River in the Northwest Territories to provide for the financial administration of the Town of Hay River pursuant to the *Cities, Towns and Villages Act*, S.N.W.T. 2003, c.22, sec. 94 -109.

**WHEREAS** the Council of the Municipal Corporation of the Town of Hay River deems it desirable to regulate the financial administration of the Municipal Corporation of the Town of Hay River;

**NOW THEREFORE**, the Council of the Municipal Corporation of the Town of Hay River hereby enacts as follows:

1. **SHORT TITLE**

1.1 This Bylaw may be cited as "The Financial Administration Bylaw."

2. **DEFINITIONS**

2.1 "**Council**" means the Council of the Municipal Corporation of the Town of Hay River.

2.2 "**Fund**" means an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances and changes therein which are segregated for purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

2.3 "**Mayor**" means the Mayor of the Municipal Corporation of the Town of Hay River.

2.4 "**Reserve**" means funds which are segregated and committed for a specific purpose in a future period.

2.5 "**Senior Administrative Officer**" means the Senior Administrative Officer of the Town appointed pursuant to the *Cities, Towns and Villages Act* of the Northwest Territories and includes any person appointed or designated by the Senior Administrative Officer to act on his or her behalf.

2.6 "**Town**" means the Municipal Corporation of the Town of Hay River in the Northwest Territories established under the *Cities, Towns and Villages Act*.

2.7 "**Replacement Cost**" is the purchase value of the asset, inflated by the annual consumer price index figure over the life of the asset.

2.8 “**Depreciated Value**” is the replacement cost of the asset less the annual depreciation.

3. **ESTABLISHMENT OF FUNDS**

3.1 The Town shall establish such Funds as outlined in Appendix “A” of this Bylaw.

3.2 Each fund so established by Council shall be administered in accordance with the purposes, rules and guidelines as provided for in Appendix “A” of this Bylaw.

4. **ESTABLISHMENT OF RESERVES**

4.1 The Town shall establish Reserves as outlined in Appendix “B” of this Bylaw.

4.2 Each Reserve so established by Council shall be administered in accordance with the purposes, rules and guidelines as provided for in Appendix “B” of this Bylaw.

5. **SURPLUS AND DEFICIT GUIDELINES**

5.1 The administration of any Surplus or Deficit incurred by the Town in any Fiscal Year shall be administered in accordance with the rules and guidelines as outlined in Appendix “C” of this Bylaw.

6. **BLOCK FUNDING AGREEMENTS**

6.1 Upon a resolution duly passed by Council, the Town may enter into a Block Funding Agreement with a senior level of government or an agency of a senior level of government, where such agreement provides qualitative or quantitative benefits to the Town.

6.2 The Mayor and Senior Administrative Officer are hereby authorized to execute such agreements as approved by resolution of Council.

6.3 The funds received under any Block Funding Agreement shall be administered in accordance with the terms, conditions, rules, and guidelines provided for in Appendix “D” of this Bylaw.

**7. INVESTMENT OF FUNDS**

7.1 All funds of the Town shall be invested in accordance with the terms, conditions, rules and guidelines as provided for in Appendix "E" of this Bylaw.

**8. COLLECTION OF REVENUES**

8.1 The collection of revenues of the Town shall be administered in accordance with the terms, conditions, rules and guidelines as provided for in Appendix "F" of this Bylaw.

**9. REPEALED**

9.1 Bylaw No. 2099/GEN/08 as amended is hereby repealed.

**READ A FIRST TIME AND SECOND TIME** this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Mayor

**READ A THIRD AND FINAL TIME** this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Mayor

CERTIFIED that this bylaw has been made in accordance with the requirements of the Cities, Towns and Villages Act, S.N.W.T., 2003 c.22 and the bylaws of the Municipal Corporation of the Town of Hay River this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Senior Administrative Officer

*MR KS*

## ESTABLISHMENT OF FUNDS

### 1. GENERAL FUND

- 1.1 The General Fund is hereby established.
- 1.2 The purpose of this Fund shall be to account for all financial activities of the Town which are not accounted for in another fund.
- 1.3 The monies belonging to the Town shall be credited to this Fund, and where any such monies relate to a fund other than the General Fund, these shall be accounted for using Inter-fund accounts.
- 1.4 The Revenues and Expenditures in the General Fund shall be made in accordance with the budget adopted for each fiscal year, pursuant to the *Cities, Towns, and Villages Act*.
- 1.5 All Expenditures and Disbursements in the General Fund shall be made in accordance with the *Cities, Towns, and Villages Act*.
- 1.6 All Revenues collected in the General Fund shall be deposited into the General Fund Bank Account, at a Bank approved by resolution of Council from time to time.
- 1.7 Financial Statements shall be prepared annually for the General Fund and audited by an auditor appointed by Council.
- 1.8 Any surplus or deficit at the end of a fiscal year in the General Fund shall be treated in accordance with Appendix "C" of this Bylaw.

### 2. UTILITY FUND

- 2.1 The Utility Fund is hereby established.
- 2.2 The purpose of this Fund shall be to account for all financial activities of the Town which pertain to the operations of the Town's Water and Sewer system. Water and sewer operations include all aspects of establishing, operating and maintaining buildings, equipment and works related to the supply and processing of potable water; distribution of potable water and the collection, treatment and disposal of sewage and storm water.

- 2.3 The Revenues and Expenditures in the Utility Fund shall be made in accordance with the budget adopted for each fiscal year.
- 2.4 All Expenditures and Disbursements in the Utility Fund shall be made in accordance with the *Cities, Towns and Villages Act*.
- 2.5 All Revenues collected for the Utility Fund shall be deposited into the General Fund Bank Account, and accounted for in the Utility Fund using an Inter-fund account.
- 2.6 Financial Statements shall be prepared annually for the Utility Fund and audited by an auditor appointed by Council.
- 2.7 The Utility Fund is intended to be a self-liquidating fund, with the revenues being equal to or exceeding the expenditures in a fiscal year.
- 2.8 Any surplus or deficit at the end of a fiscal year in the Utility Fund shall be treated in accordance with Appendix "C" of this Bylaw.

**3. LAND DEVELOPMENT FUND**

- 3.1 The Land Development Fund is hereby established.
- 3.2 The purpose of this Fund shall be to account for all financial activities of the Town which pertain to the acquisition, development, disposal and rental of municipal land within the Town.
- 3.3 The Revenues and Expenditures in the Land Development Fund shall be made in accordance with the budget adopted for each fiscal year.
- 3.4 All Expenditures and Disbursements in the Land Development Fund shall be made in accordance with the *Cities, Towns, and Villages Act*.
- 3.5 All Revenues collected for the Land Development Fund shall be deposited into the General Fund Bank Account, and accounted for in the Land Development Fund using an Inter-fund account.

me  
13

---

**Town of Hay River  
Financial Administration Bylaw No. ???/FIN/11  
Appendix "A"**

---

- 3.6 Financial Statements shall be prepared annually for the Land Development Fund, and audited by an auditor appointed by Council.
- 3.7 The Land Development Fund shall operate independently of the General Fund, with all expenditures being covered by revenues from land sales, leases and related charges.
- 3.8 Any surplus or deficit at the end of a fiscal year in the Land Development Fund shall be treated in accordance with Appendix "C" of this Bylaw.

DRAFT

mf  
53



## **ESTABLISHMENT OF RESERVES**

### **1. COMPUTER SYSTEMS RESERVE**

- 1.1 The Computer Systems Reserve is hereby established.
- 1.2 The purpose of this Reserve shall be to ensure that the Town will have sufficient funds available to expand, upgrade and/ or replace the computer systems, servers, workstations, software and software licensing required to efficiently and effectively serve the needs of the Town.
- 1.3 This Reserve shall be funded annually from revenues in accordance with the approved budget.
- 1.4 The funds accumulated in this Reserve shall be deposited to a bank account designated for General Fund reserves, and shall be accounted for as separate and apart from other reserve funds being deposited into this bank account.
- 1.5 Any interest earned in the bank account for General Fund reserves shall accrue to this Reserve in direct proportion to the funds accumulated in this Reserve in comparison to the total funds in the bank account.
- 1.6 Funds from this Reserve shall only be disbursed in accordance with a budget and/or resolution duly approved by Council that shall specifically identify all computer hardware, software and software licensing expenditures being funded from this Reserve.

### **2. LANDFILL RESERVE**

- 2.1 The Landfill Reserve is hereby established.
- 2.2 The purpose of this Reserve shall be to ensure that the Town will have sufficient funds available to provide for the expansion, upgrading and closure of Landfill sites.
- 2.3 This Reserve shall be funded annually from revenues in accordance with the approved budget.
- 2.4 The funds accumulated in this Reserve shall be deposited to a bank account designated for General Fund Reserves and shall be

accounted for as separate and apart from other reserve funds being deposited into this bank account.

2.5 Any interest earned in the bank account for General fund Reserves shall accrue to this Reserve in direct proportion to the funds accumulated in this Reserve in comparison to the total funds in the bank account.

2.6 Funds from this Reserve shall only be disbursed in accordance with a budget and/or resolution duly approved by Council that shall specifically identify all landfill expenditures being funded from this Reserve.

3. **MANAGEMENT TRAINING RESERVE**

3.1 The Management Training Reserve is hereby established.

3.2 The purpose of this Reserve shall be to ensure that the Town will have sufficient funds available to provide staff training.

3.3 This Reserve shall be funded annually from revenues in accordance with the approved budget.

3.4 The funds accumulated in this Reserve shall be deposited to a bank account designated for General Fund reserves and shall be accounted for as separate and apart from other reserve funds being deposited into this bank account.

3.5 Any interest earned in the bank account for General fund Reserves shall accrue to this Reserve in direct proportion to the funds accumulated in this Reserve in comparison to the total funds in the bank account.

3.6 Funds from this reserve shall only be disbursed in accordance with a budget and/or resolution duly approved by Council which shall specifically identify all training expenditures being funded from this reserve.

4. **MOBILE EQUIPMENT RESERVE**

4.1 The Mobile Equipment Reserve is hereby established.

4.2 The purpose of this Reserve shall be to ensure that the Town will have sufficient funds available to expand, upgrade and /or replace

---

**Town of Hay River  
Financial Administration Bylaw No. ???/FIN/11  
Appendix "B"**

---

the mobile equipment fleet required to efficiently and effectively service the needs of the Town.

- 4.3 This Reserve shall be funded annually with an amount equivalent to the depreciation of existing equipment, revenues in accordance with the approved budget and from the sale of mobile equipment assets if such take place.
- 4.4 Any mobile equipment being paid for by way of Debenture Financing shall not be depreciated to this reserve until the debenture has been repaid in full. Once the debenture has been repaid in full, the mobile equipment shall be depreciated further and such depreciation shall be credited to this reserve.
- 4.5 The Director of Finance shall prepare a list of the Town's equipment showing a schedule of the Replacement Cost, Depreciated Values, and the annual depreciation charges. The annual depreciation charges shall be charged as an expense to the operations of the Town.
- 4.6 The funds accumulated in this Reserve shall be deposited to a bank account designated for General Fund reserves, and shall be accounted for as separate and apart from other reserve funds being deposited into this bank account.
- 4.7 Any interest earned in the bank account for General Fund reserves shall accrue to this Reserve in direct proportion to the funds accumulated in this Reserve in comparison to the total funds in the bank account.
- 4.9 Funds from this Reserve shall only be disbursed in accordance with a budget and/or resolution duly approved by Council that shall specifically identify all mobile equipment expenditures being funded from this Reserve.

**5. MUNICIPAL INFRASTRUCTURE RESERVE**

- 5.1 The Municipal Infrastructure Reserve is hereby established.
- 5.2 The purpose of this Reserve shall be to ensure that the Town will have sufficient funds available to expand, upgrade or replace the municipal infrastructure, excluding recreation and utility infrastructure, required to efficiently and effectively serve the needs of the Town.



- 5.3 This Reserve shall be funded annually from revenues in accordance with the approved budget.
- 5.4 The funds accumulated in this Reserve shall be deposited to a bank account designated for General Fund reserves, and shall be accounted for as separate and apart from other reserve funds being deposited into this bank account.
- 5.5 Any interest earned in the bank account for General Fund reserves shall accrue to this Reserve in direct proportion to the funds accumulated in this Reserve in comparison to the total funds in the bank account.
- 5.6 Funds from this Reserve shall only be disbursed in accordance with a budget and/or resolution duly approved by Council that shall specifically identify all municipal infrastructure expenditures being funded from this Reserve.

**6. RECREATION CENTRE REPLACEMENT RESERVE**

- 6.1 The Recreation Centre Replacement Reserve is hereby established.
- 6.2 The purpose of this Reserve shall be to ensure that Town will have sufficient funds available to provide for the expansion, upgrading and/or replacement of the Recreation Centre.
- 6.3 This Reserve shall be funded annually from Recreation fees and charges, special events, donations and other revenues as identified in the approved budget.
- 6.4 The funds accumulated in this Reserve shall be deposited to a bank account designated for General Fund Reserves and shall be accounted for as separate and apart from other reserve funds.
- 6.5 Any interest earned in the bank account for General fund Reserves shall accrue to this Reserve in direct proportion to the funds accumulated in this Reserve in comparison to the total funds in the bank account.
- 6.6 Funds from this reserve shall only be disbursed in accordance with a budget and/or resolution duly approved by Council which shall

24P  
ES

specifically identify all recreation centre expenditures being funded from this reserve.

**7. RECREATION INFRASTRUCTURE RESERVE**

- 7.1 The Recreation Infrastructure Reserve is hereby established..
- 7.2 The purpose of this Reserve shall be to ensure that the Town will have sufficient funds available to expand, upgrade or replace the recreation infrastructure required to efficiently and effectively serve the needs of the Town.
- 7.3 This Reserve shall be funded annually from revenues in accordance with the approved budget.
- 7.4 The funds accumulated in this Reserve shall be deposited to a bank account designated for General Fund reserves, and shall be accounted for as separate and apart from other reserve funds being deposited into this bank account.
- 7.5 Any interest earned in the bank account for General Fund reserves shall accrue to this Reserve in direct proportion to the funds accumulated in this Reserve in comparison to the total funds in the bank account.
- 7.6 Funds from this Reserve shall only be disbursed in accordance with a budget and/or resolution duly approved by Council that shall specifically identify all recreation infrastructure expenditures being funded from this Reserve.

**8. UTILITY INFRASTRUCTURE RESERVE**

- 8.1 The Utility Infrastructure Reserve is hereby established.
- 8.2 The purpose of this Reserve shall be to ensure that the Town will have sufficient funds available to expand, upgrade or replace the utility infrastructure required to efficiently and effectively serve the needs of the Town.
- 8.3 This Reserve shall be funded annually from water and sewer revenues in accordance with the approved budget.
- 8.4 The funds accumulated in this Reserve shall be deposited to a bank account designated for Utility Fund reserves, and shall be

accounted for as separate and apart from other reserve funds being deposited into this bank account.

- 8.5 Any Interest earned in the bank account for Utility Fund reserves shall accrue to this Reserve in direct proportion to the funds accumulated in this Reserve in comparison to the total funds in the bank account.
- 8.6 Funds from this Reserve shall only be disbursed in accordance with a budget and/or resolution duly approved by Council that shall specifically identify all utility infrastructure expenditures being funded from this Reserve.

DRAFT

mf  
K3

## **SURPLUS AND DEFICIT GUIDELINES**

### **1. GENERAL FUND**

- 1.1 The Town may save any surplus at the end of a fiscal year for use in future fiscal years.
- 1.2 The Town shall eliminate any deficit at the end of a fiscal year by the end of the next fiscal year.
- 1.3 Notwithstanding that the Town may have an accumulated surplus as permitted in Clause 1.1 above, the Town shall not approve a deficit budget in any given year.
- 1.4 Any accumulated surplus from previous fiscal years shall continue to be carried forward from year to year as an unappropriated surplus, until such accumulated surplus exceeds 20% of the total taxation revenues, including grants in lieu of taxation, in a given fiscal year. Any accumulated surplus which exceeds 20% of the total taxation revenues as verified during an annual audit may, by resolution of Council, be appropriated as required.

### **2. UTILITY FUND**

- 2.1 The Town may save any surplus at the end of a fiscal year for use in future fiscal years.
- 2.2 The Town shall eliminate any deficit at the end of a fiscal year by the end of the next fiscal year.
- 2.3 The elimination of any deficit shall be attained through the transfer of the difference between the GNWT Water & Sewer Subsidy of \$ 566,212.00 provided in 2006 and the Water & Sewer Subsidy provided in the fiscal year from the General Fund. Any further deficit shall be eliminated through an adjustment of water and sewer rates in the next fiscal year.
- 2.4 Notwithstanding that the Town may have an accumulated surplus as permitted in Clause 2.1 above; the Town shall not approve a deficit budget in any given year.
- 2.5 Any accumulated surplus from previous fiscal years shall continue to be carried forward from year to year as an unappropriated

surplus, until such accumulated surplus exceeds 5% of the total revenues from sales of water and sewer services in a given fiscal year. Any accumulated surplus which exceeds 5% of the total revenues as outlined above and as verified during an annual audit may, by resolution of Council, be appropriated to the Utility Infrastructure Reserve.

**3. LAND DEVELOPMENT FUND**

- 3.1 The Town may save any surplus at the end of a fiscal year for use in future fiscal years.
- 3.2 The Town shall eliminate any deficit at the end of a fiscal year by the end of the next fiscal year.
- 3.3 Any accumulated surplus from previous fiscal years shall continue to be carried forward from year to year as an unappropriated surplus, until such accumulated surplus exceeds \$500,000. Pursuant to the Land Administration, Bylaw No. 2178, Section 4, any accumulated surplus which exceeds \$500,000 as verified during an annual audit may, by resolution of Council, be transferred as revenues to the General Operating Fund, subject to Clause 3.4 below.
- 3.4 Before any surplus in excess of \$500,000 is transferred to the General Operating Fund, the Town shall review the book value of all land inventory held for resale to ensure the net realizable value meets or exceeds the book value. Where the net realizable value is less than the book value, the book value shall be written down to the net realizable value and this amount shall reduce the accumulated surplus accordingly.



## FORMULA FUNDING AGREEMENTS

### 1. DEPARTMENT OF MUNICIPAL AND COMMUNITY AFFAIRS

- 1.1 There is a Formula Funding Agreement between the Town and the Minister of Municipal and Community Affairs (MACA) of the Government of the Northwest Territories.
- 1.2 Each year the amount provided by Municipal and Community Affairs through the Formula Funding Agreement shall be apportioned to Capital and to Operations and Maintenance in accordance with the annual approved budget.
- 1.3 The Capital amount shall then be divided between the Municipal Infrastructure Reserve, the Recreation Infrastructure Reserve and the Utility Infrastructure Reserve in accordance with the annual approved budget.

### 2. WATER AND SEWER SUBSIDY

- 2.1 The Water and Sewer Subsidy portion of the Formula Funding Agreement flows to the Town.
- 2.2 This Agreement provides that the Town deliver the GNWT Water and Sewage Subsidy Program.
- 2.3 The formula funding will be applied annually against the operations and maintenance costs to provide trucked water and sewer services to residential users.

*Handwritten initials: me*

## INVESTMENT OF FUNDS

### 1. INVESTMENT OF SURPLUS AND RESERVE FUNDS

- 1.1 Any surplus or reserve funds may be invested in a short-term investment when all of the following conditions are met:
- 1.1.1 the rate of return on the short-term investment exceeds the current interest rate being paid on current account funds;
  - 1.1.2 the monies are invested at a local financial institution, being a financial institution with an office within the Town, or an affiliated brokerage firm;
  - 1.1.3 the term of the investment shall mature up to but not exceed one year in duration;
  - 1.1.4 the funds to be invested are not required to meet the financial obligations of the Town prior to the maturity of the investment.
  - 1.1.5 the investment is made pursuant to the Cities, Towns, and Villages Act S.N.W.T., 2003, c.22.

### 2. ALLOCATION OF INVESTMENT INCOME

- 2.1 All income earned from funds in an interest-bearing account or short-term investment shall accrue to each fund or reserve account in the general ledger, in direct proportion to the total funds deposited under such deposit or investment.
- 2.2 The Utility Fund shall accrue investment income on the Meter Deposit Account at a rate equal to that being paid on the General Fund current account.

## COLLECTION OF REVENUES

### 1. CUSTOMER PAYMENT

- 1.1 Invoices for all taxes, charges, fees and interest are payable on the due date appearing on the invoice. Due dates shall be set by the Town and clearly marked on the invoice.
- 1.2 The liability to pay an invoice shall not be affected by any defect in the form of the invoice or non-receipt of an invoice.
- 1.3 The Senior Administrative Officer may prescribe terms and conditions for billing customers.
- 1.4 The Town may reject customer payments if:
  - 1.4.1 the payment is made by cheque and the Senior Administrative Officer believes that there is a higher than normal risk that the cheque will be returned by the bank;
  - 1.4.2 the payment is made by a large number of coins or bills that do not constitute legal tender under the *Currency Act*.

### 2. INTEREST ON ARREARS

- 2.1 Unless otherwise provided for in another bylaw or superseding legislation, the Town shall levy interest at a rate of 1.25% per month on all accounts over 30 days past due.

### 3. DISCONTINUATION OF MUNICIPAL SERVICES FOR NON-PAYMENT

- 3.1 Where the Town has made every reasonable attempt to collect monies owed to it by a taxpayer, resident, or other debtor, and are unable to satisfy collection of those monies, the Town may discontinue the delivery of municipal services until such claim is satisfied in full or arrangements for payment have been made which are satisfactory to the Senior Administrative Officer.
- 3.2 The Senior Administrative Officer, upon review of any account under Clause 2.1 above, shall provide notice in writing of the Town's intention to discontinue certain municipal services to the

debtor. This notice shall provide the debtor with a 21 day period in which to satisfy the claim or make an appeal.

3.3 During the 21 day notice period, the debtor has the right to file an appeal with Council to maintain municipal services. Municipal services shall be maintained until the debtor's appeal is heard in a regular meeting of Council and a decision is rendered by Council.

3.4 Upon the expiry of the 21 day notice period where the monies owed remain outstanding and no appeal has been filed, or upon a decision by Council to discontinue municipal services following an appeal, the Senior Administrative Officer or his designate is hereby authorized to discontinue further municipal services until the monies owed are paid in full.

4. **RIGHT TO SET OFF**

4.1 Where the Town has received an invoice from a taxpayer, resident or other debtor, the Town may satisfy the invoice by setting off such amount against any monies owed to the Town by the same taxpayer, resident or debtor.

5. **PRE-AUTHORIZED TAX PAYMENT PLAN**

5.1 Taxpayers of the Town shall have the right to enter into a Pre-Authorized Tax Payment Plan to provide for the payment of property taxes and local improvement taxes in equal monthly installments from January to December in any year.

5.2 The Plan shall commence on January 1<sup>st</sup> of each year provided that all taxes, local improvement taxes, tax arrears and penalties are fully paid on or before December 31<sup>st</sup> of the preceding year.

5.3 The monthly installments shall be due on the last day of each month and shall be made by pre-authorized charge to the Taxpayer's bank account.

5.4 The monthly installment amount for the months of January through to June shall be calculated at 1/12<sup>th</sup> of the previous year's total levy. The monthly installment amount for the months of July through to December shall be calculated at 1/6<sup>th</sup> of the remaining balance after the June installment.

- 5.5 Any taxpayer who enters into the Pre-Authorized Tax Payment Plan will not be charged interest on any balance outstanding after the due date for property taxes in a year as defined in the Bylaw establishing mill rates for the taxation year, provided the taxpayer continues to make all installments on time under the Plan. The Senior Administrative Officer, or his designate, may cancel the privilege of continuing in the Plan if an installment fails to be honored. The unpaid balance of taxes, if any, shall be subject to penalties as defined in the Bylaw establishing mill rates for the taxation year.
- 5.6 Notwithstanding that a taxpayer enters into the Plan, if all property taxes and local improvement taxes are paid in full by the discount date as defined in the Bylaw establishing mill rates for the taxation year, the taxpayer will be entitled to the discount.

DRAFT

*[Handwritten signature]*

**From:** [John Holland](mailto:John.Holland)  
**To:** [May-Britt](mailto:May-Britt)  
**Subject:** FW: Financial Admin. Bylaw  
**Date:** September 27, 2011 10:40:03 AM

---

**From:** Tod Ashton [mailto:[tashton@ashtonca.com](mailto:tashton@ashtonca.com)]  
**Sent:** September-16-11 2:28 PM  
**To:** John Holland  
**Cc:** Nancy Stanley  
**Subject:** RE: Financial Admin. Bylaw

John:

Sorry, I had not reviewed it since returning from holidays, however, I have had a quick look at the bylaw and can comment as follows:

Appendix A: nice to see the elimination of the capital funds

Appendix B: the reserves indicated agree with those on the financial statements; as indicated, I don't think there is a requirement to have a reserve for Gas Tax or CPI funds

Appendix C: section 2.3 refers to subsidy funding in 2006; I wonder if it is really necessary to continue to make up this shortfall as it is obvious that MACA will continue with current funding levels and the Town will have to work within those levels for the utility revenues.

Other than that, I did not have much more to comment on. I could have Nancy have a look at it and comment if you would like. She is on mat leave but I think she would be willing to do that.

On the billing side, I have reviewed our work-in-progress and spoke with Nancy; she did not break out her time for each of those additional services provided, we could estimate the breakdown of the additional time but it would be a best guess. Let me know if you would like me to proceed with that.

Thanks,

Tod Ashton

---

**From:** John Holland [mailto:[jholland@hayriver.com](mailto:jholland@hayriver.com)]  
**Sent:** September-16-11 8:36 AM  
**To:** [tashton@ashtonca.com](mailto:tashton@ashtonca.com)  
**Subject:** Financial Admin. Bylaw

Has your office had a chance to review the draft bylaw that I left?



Anything further in regards to the audit additional work?

Thanks,

John Holland

mh  
13