

Welcome everyone: I am Maureen Miller, your Mayor. I would like to thank-you for coming out this evening for an update on our community. I also want to acknowledge Councillors, Norm Noel, Ron Boisvert, Gary Ward and Nathan Taylor, along with CAO Kim Heyman.

Our auditor, Barb McCarthy has graciously agreed to give us an update on the financial picture, and when she is done, I would like to touch on a few highlights from the past 20 months.

Barb, I'll turn the floor over to you;

Thanks Barb.

As you know when we took office, right off the bat we were up against some environmental challenges. The first order of business after hiring some key staff positions, was to rectify the fact that some town buildings had been improperly disposed of on private property. According to Alberta Environment, no matter whose decision it was or where the waste was buried, it had originated from the Town and we were ultimately responsible for it. Once we were able to gather all the facts, the Town did the right thing and reclaimed the waste and disposed of it properly.

The second environmental challenge was, and continues to be the blocked waterway at the southwest corner of town. Alberta Environment issued an Environmental Protection Order to the landowner in question. Just recently they defended that Order in front of the Environmental Appeals Board, with the Town being granted Intervener status which allowed us to testify on the impact this has had on the town. The board will make a recommendation to the Minister of Environment who will hopefully make public his decision by the end of June. This issue has been ongoing for nearly 2 decades now and we are making every effort to bring this to a successful conclusion.

Just recently we have had some County residents questioning the algae blooms in the Upper and Lower Therien Lakes as well as the increased water levels. They are under the impression that some of clearing we have done in the Town owned waterway between Upper and Lower Therien Lakes has lead to that problem. I would like to take this opportunity to clarify that the work we did in that waterway did not increase the volume of water it is capable of handling. What we cleared out was growth that has occurred in the past dry years that was threatening to block the ditch, putting the adjacent roads at risk of flooding. The water levels have come up on most lakes in the area after many years of low water levels. As for the algae blooms, these are caused by nutrients in the water. Obviously our water treatment plant is the source of some of these blooms, but unfortunately, the fertilizer on the farmlands surrounding both the Upper and Lower Therien Lakes is also a substantial cause of the blooms. The clearing of the waterway or ditch was done with an approved license under the Water Act.

After our initial audit on the 2017 fiscal year, that was completed in May of 2018 the auditor identified as a weakness our General Ledger, which was not only quite old, but had consolidated many accounts making it challenging to identify individual expenses. Last year our finance department undertook the onerous task of developing a new General Ledger while still operating under the old general ledger. It took the better part of 7 months to develop a G/L framework, coordinate with department heads the information they required from both a budgeting perspective as well as reporting perspective, a few test runs and then the nail biting exercise of transferring the current information from the old G/L to the new G/L. However, by November it

was done, and we now have a logical G/L with monthly reporting to Council and after this initial year of transition, hopefully a happier audit team.

As you may, or may not be aware, in 2017 the Provincial Government of the day, brought into affect the mandatory requirement of Intermunicipal Collaboration Frameworks. These are documents between all adjacent municipalities that list all services, identify if they are shared between the two municipalities, how they are paid for and who is responsible for them.

As a town we have only one adjacent neighbour, the County of St. Paul and I'm very happy to tell you that this administration is developing a solid, respectful working relationship with them. We already had many agreements in place, so we are now focusing on the more contentious ones. I'm not trying to tell you that it is "Nirvana" between ourselves and our neighbours, but I can tell you that there is an agreed upon acknowledgement that we have to work towards the best interests of all our residents. That if we can reduce duplication of services and increase efficiency by joining forces on some issues it is our duty to find a way to do so. We have a lot of work to do, but we are all working towards that goal.

Some of the successes we have had already is joining forces on grant applications. We were recently awarded \$384,000 jointly between the Town and County to replace the 50-year-old lighting system at our jointly owned airport with LED lights and a refurbished electrical system. We were also granted a joint grant to create a Storm Water Management Plan with the County. Our storm water, watershed encompasses both the Town and County, so it only makes sense to work together on this issue. This year we concluded the Regional Recreation Masterplan which has given us the framework for some of our negotiations as far a developing a new recreation agreement with the County. Just recently we were awarded a grant to work together on a joint human resources masterplan to come up with a plan to use our human resources more effectively for both our employees and for the municipalities. We also jointly applied for a CARES Grant which funded the preliminary work that we have done towards a economic strategy. Our regional Intermunicipal Development Plan, which some of you have given us input on, is another example of applying for a grant jointly to benefit all of. So far we have found joint applications have been more successful than individual ones.

Another time sensitive challenge has been the requirement for us to address the production and sale of cannabis in our town. There was no option to not have these facilities without opening the possibility of a legal challenge, so we needed to address this in an open, transparent and inclusive manner. Quite frankly our open house on this topic was not well attended, but all we could do was present the opportunity for you to comment. Sometimes no comment speaks volumes. As you know the new bylaw allows for retail locations on the main street and only if they are 100 meters apart. They also cannot be with a provincially regulated distance from schools and health facilities. We have already gone through one challenge which in the end supported our bylaw. To date we have not seen a significant increase in concerns and complaints.

Our golf course which was another challenge we inherited is slowly turning around, and we hope to see more increased memberships and golf green fees this year. Though I feel very optimistic about the golf courses future, I am also painfully aware that we are at the mercy of mother nature and a wet summer and early fall could put a damper on those green fee revenues as well as tournament revenue. We continue to do the best job we can and keep our fingers crossed for the

best weather possible. We still plan on getting the driving range up and running over the next couple of years, and we look forward to the benefits that will bring. The golf course lands are becoming a year round facility with the cross country ski group using the land during the winter. As far as projects going forward our focus this year for big capital projects this year is the upgrade of 57<sup>th</sup> Street and the upgrade on 42<sup>nd</sup> Street. These are actually projects that are carried over from last year so in the case of 42<sup>nd</sup> Street we had the funding put away. For the 57<sup>th</sup> Street project the funding quote was a few years old and when we got down to business with this project we found the number had increased by about 50%. So we have \$1 Million put away but the costs have risen to about \$1.5M. In order to counter this increase, we have applied for a joint grant with County who is upgrading Twp Rd 582. If this grant comes through we will have more than enough funding put away for our matching portion. If it doesn't we will likely downgrade the project to reduce costs. Fingers crossed we will receive the grant funding.

We have other smaller projects lined up as well. Including some sidewalk curb and gutter improvements and the last of our gravel roads being paved. We also have one more lift of asphalt to put on 55 Ave then we can put a bow on that project and call it done.

Another topic I would like to share with you is our recent acquisition of what will be called the Lavoie Subdivision. The Lavoie family has held this land for many years, but didn't feel they wanted to go through the pains of development. They generously made this land available to us, at less than assessed value. This property includes 96 subdivided but undeveloped lots which lie in direct proximity to water, sewer and storm water servicing. It is not our plan to develop this property ourselves, but rather break it into blocks of lots for sale to developers. We understand that the economy is slow right now, but when the economy picks up we will be in strong position to support residential growth in our community without having to acquire land from the county. One of our latest challenges is the significant cost increase to our Waste Water Treatment Plant upgrade project. These increased costs are the results of US tariffs on steel (25%) and aluminium (10%). The tariffs have been rescinded, but the suppliers still have steel and aluminum equipment in their plants. The cost of concrete came in much higher than anticipated and above and beyond the tariff on aluminium, the cost of aluminium has skyrocketed. High sludge removal costs and a busy construction period along with increased scope and complexity of the project all added to the costs. We consider this a big project, but the specialty contractors that bid on it, do not. The prices were not as competitive as we had hoped. Over the coming weeks we will be attacking the issue from several directions. The mayor is working with our MLA to get us a meeting with the new Minister of Transportation. We have two requests of him; 1 to extend the deadline by which this project has to be substantially completed and to approve a grant for the increased costs. We already have the original cost amounts in places, so we are looking for a grant for the increase. In the meantime, our engineers and our Director of Utilities are looking at ways to reduce costs without reducing the improvements and efficiencies that were the basis for the project in the first place.

With so many of the challenges that we faced coming into office, now in hand we are in a position to address some long term goals over the coming months. We will be looking at Strategic Planning, Long term capital planning and multi-year operational planning. Now can I open the floor to any questions?