

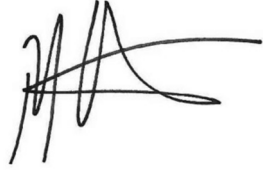



Request for Decision – to Council

Title	Morinville Municipal Seed Cleaning Co-op Limited Loan
Motion	That County Council denies the request by the Morinville Municipal Seed Cleaning Co-op Ltd. forgiveness on their May 1, 2015 loan repayment of \$16,700.
Previous Council Direction	<p>County Council has granted the Morinville Municipal Seed Cleaning Co-Op Ltd. forgiveness of their loans on the following dates and in the following amounts:</p> <ul style="list-style-type: none"> • On June 10, 2014, That County Council approves the request by the Morinville Municipal Seed Cleaning Co-op Ltd. for forgiveness of their May 1, 2014 loan repayment of \$16,700 and that Administration notify the Seed Cleaning Plant that completed Proforma Financial Statements will be required for Council review of forgiveness of the loan in its entirety in 2015 and, as a minimum that the Seed Cleaning Plant contract a review engagement audit for the 2014 Annual Financial Statements, motion #191/14 • On May 28, 2013 motion #245/13 - \$16,700. • On June 12, 2012 motion #218/12 - \$16,700. • On June 14, 2011 motion #240/11 - \$16,700.00 and further directed administration to review option of forgiving the remaining balance of the loan. • On April 27, 2010 motion #168/10 - \$16,700.00 and further requested that the most recent annual and quarterly financial statements be provided. • On April 14, 2009 County Council showed support for the agriculture sector by approving a loan of \$150,000 to the Morinville Municipal Seed Cleaning Co-op Limited to fund its capital upgrades.
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> • The Financial Statements provide to the County for the period ending June 30, 2014 have not been audited and do not contain an audit opinion or review engagement letter. • A letter was sent to the Morinville Seed Cleaning Coop Ltd requesting the following items to consider the loan forgiveness in its entirety; <ul style="list-style-type: none"> ○ Pro-forma Financial Statements ○ Minimum review engagement financial statement for June 30, 2014, audited if possible. ○ An analysis benchmarking the financial support provided by other municipalities to their respective seed cleaning operations.

	<ul style="list-style-type: none"> •  Severed in line with Section 22 of the FOIP Act • The loan balance outstanding on Sturgeon County's 2014 Audited Financial Statements is \$78,710. <p><u>External Communication</u></p> <ul style="list-style-type: none"> • None <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> • Section 265 of the Municipal Government Act provides for a municipality to loan money to a non-profit organization. • The \$150,000 loan to the Morinville Seed Cleaning Plant Coop Ltd. was authorized by Bylaw 1175/09.
Administrative Recommendation	Administration is recommending that waiving of the loan payment be denied on the basis that requests for enhanced financial reporting have not been met. Financial reporting is a key component to strong governance.
Implication	<p><u>Strategic Alignment:</u></p> <p>Administrations recommendation is consistent with the Focus Area of Strong Local Governance and Regional Leadership; <u>Goal 1.2:</u> Sturgeon County is financially stable and fiscally sustainable. The request for enhanced financial reporting is consistent with strong governance.</p> <p><u>Organizational:</u></p> <p>No Impact</p> <p><u>Financial:</u></p> <p>Receiving the payment would increase Sturgeon County's cash flow by \$16,700.</p>
Alternatives Considered	<ol style="list-style-type: none"> 1. That Council approves the request to waive the loan payment \$16,700. 2. That Council waives the entire balance owing of \$78,710.

Implications of Alternatives	<p><u>Strategic Alignment:</u></p> <ul style="list-style-type: none"> Support of the Morinville Seed Cleaning Plant Coop Ltd. is consistent with the Focus Area Planned Growth and Prosperity; <u>Goal 2.1:</u> Sturgeon County has a positive business environment that supports a strong economic foundation, pursue and respond to targeted sectors, i.e. value-added agriculture, advanced energy, manufacturing, and logistics. <p><u>Organizational:</u></p> <ul style="list-style-type: none"> None <p><u>Financial:</u></p> <ul style="list-style-type: none"> Waiving of the loan payment or the entire loan would decrease cash flow to Sturgeon County, funding would be required from the general operating reserve or included in the 2016 budget deliberations.
Follow up Action	1. Administration will inform the Seed Cleaning Plant of Councils decision.
Attachment (s)	<ol style="list-style-type: none"> 2014 Morinville Seed Cleaning Coop Financial Statements Administrations 2014 Letter to the Seed Cleaning Plant Bylaw 1175/09 Loan Repayment Schedule
Report Reviewed by:	 Ed Kaemingh, Manager Financial Services  Rick Wojtkiw, GM Corporate Support  Peter Tarnawsky, County Commissioner – CAO

Strategic Alignment Checklist

Vision: Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.

Mission: Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.

Focus Areas	Not consistent	N/A	Consistent
Strong Local Governance and Regional Leadership			
We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan, pg. 27 MDP)	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Consistent with neighborhood role (see MDP), master plans,, policies 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Considers fiscal stability and sustainability 	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> Has a positive impact on regional and sub-regional cooperation 	<input type="checkbox"/>		<input type="checkbox"/>
Respect the Natural Environment			
We acknowledge the importance of a healthy environment and will minimize and monitor our impact on ecosystems (Strategic Plan, pg. 27 MDP)	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Compliance with Provincial and Federal regulations and/or legislation 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Ensure effective environmental risk management 	<input type="checkbox"/>		<input type="checkbox"/>
Community Identity & Spirit			
We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan, (Strategic Plan, pg. 27 MDP)	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Promotes and/or enhances residents' identification with Sturgeon County 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Enhances service provision through community partnerships 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Supports Sturgeon County's cultural history 	<input type="checkbox"/>		<input type="checkbox"/>
Planned Growth and Prosperity			
We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan, pg. 27 MDP)	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Considers cumulative costs and long-term funding implications 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Targets growth around current or planned infrastructure 	<input type="checkbox"/>		<input type="checkbox"/>
Maintain and Enhance Strong Communities			
We are committed to a safe, secure community, where our residents are respected and provided with access to opportunities. (Strategic Plan, pg. 27 MDP)	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Positive impact on residents' quality of life 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Supports and promotes volunteer efforts 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Provides programs and services that are accessible to all residents 	<input type="checkbox"/>		<input type="checkbox"/>
Operational Excellence			
We have the organizational capability to deliver consistent and defined levels of service to all stakeholders in a professional, efficient, and cost effective manner	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Staff have the knowledge, skills, resources and capability to perform their jobs 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Streamlines operational processes and policies 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Promotes engagement and professional interaction with stakeholders 	<input type="checkbox"/>		<input type="checkbox"/>
<ul style="list-style-type: none"> Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context 	<input type="checkbox"/>		<input type="checkbox"/>