

MUNICIPALITY OF THE DISTRICT OF LUNENBURG
Minutes of a Meeting of
FINANCE COMMITTEE
Held in Council Chamber, 210 Aberdeen Road, Bridgewater, NS
Tuesday, April 2, 2019 – 9:00 a.m.

ATTENDANCE

Councillor Claudette Garland, District 6, Chair
Councillor Eric Hustvedt, District 1, Vice Chair
Mayor Carolyn Bolivar-Getson
Councillor Martin Bell, District 2
Councillor John Veinot, District 4
Deputy Mayor Cathy Moore, District 5
Councillor Wade Carver, District 7
Councillor Michael Ernst, District 8
Councillor Reid Whynot, District 9
Councillor Errol Knickle, District 10

Regrets: Councillor Lee Nauss, District 3

Staff: Kevin Malloy, Chief Administrative Officer
Alex Dumaresq, Deputy Chief Administrative Officer
Sherry Conrad, Municipal Clerk
Elana Wentzell, Director of Financial Services
Angela Veinot, Manager of Accounting
Stephen Pace, Director of Engineering & Public Works
Dave Waters, Director of Business Development, Tourism & Infrastructure
Trudy Payne, Director of Recreation
Rachel Hiltz, Recording Secretary

1. CALL TO ORDER

Councillor Garland called the meeting to order at 9:00 a.m.

2. ANNOUNCEMENTS/ACKNOWLEDGEMENTS/RECOGNITIONS: (Nil)

3. PUBLIC INPUT: (Nil)

4. APPROVAL OF AGENDA:

Moved by Mayor Bolivar-Getson, seconded by Councillor Whynot that the Agenda be approved with the addition of In Camera item 13.1 Land Negotiations re Oakland under Section 22(2)(e) of the *Municipal Government Act* being added to the agenda.

Councillor Michael Ernst advised he would be declaring a Conflict of Interest for item 11.1.3 Full and Partial Tax Exemptions and 13.1 Land Negotiations re Oakland as he is a member of the Mahone Islands Conservation Association.

A discussion was held regarding an upcoming joint meeting of Councils and the option of discussing the item prior to that meeting. It was noted this discussion will be held on April 9, 2019 during the Council meeting.

The motion on the floor was voted on and carried unanimously.

5. **APPROVAL OF MINUTES –March 5, 2019:**

Moved by Councillor Hustvedt, seconded by Councillor Carver that the Minutes of the March 5, 2019 Finance Committee meeting be approved as circulated. Carried.

6. **BUSINESS ARISING FROM MINUTES (Nil):**

7. **AWARDING OF TENDERS/RFPs: (Nil)**

8. **PRESENTATIONS/SCHEDULED TIMES: (Nil)**

9. **CONSIDERATION OF CORRESPONDENCE (Nil)**

10. **RECOMMENDATIONS FROM COMMITTEES & BOARDS: (Nil)**

11. **STAFF REPORTS:**

11.1 **Finance Department**

11.1.1 **2019/20 Draft Operating Budget by Department**

11.1.1.1	Summary
11.1.1.2	Additions

Ms. Wentzell reviewed the draft 2019/2020 Operating Budget by Department (circulated with Agenda).

The following points were noted:

- Commercial assessments have gone down. In 2013/14, MODL lost commercial assessment from Bowater leaving, and another large industrial business was successful in an appeal to lower their assessment. The Financial Condition Indicators no longer look at reliance on a single business, so the low commercial assessment revenue will not be an issue. Any home-based businesses that are assessed (full or partially) as commercial are included into the commercial property tax.
- The current Pension Plan is being reviewed and MODL may be switching to the Public Service Superannuation Plan. The potential costs for this switch will be taken from reserves and there are funds available for this.

11.1.1.3	Engineering – Roads/Streetlights/CEF
11.1.1.4	Engineering – Sewage/Hydrants/Garbage

Stephen Pace, Director of Engineering & Public Works, was present to review the Engineering – Roads, Streetlights, CEF, Sewage, Hydrants & Garbage portions of the 2019/20 draft operating budget (circulated with Agenda) and answered questions posed by Committee members.

11.1.1.5	Legislative & Administration
11.1.1.6	Fire Protection

Alex Dumaresq, Deputy CAO, was present to review the Legislative & Administration and Fire Protection portions of the 2019/20 draft operating budget (circulated with Agenda) and answered questions posed by Committee members.

The following points were noted:

- The Human Resources Shared Service will save money as MODL will no longer have to use consultants. A small contingency is kept in case of special situations where a labour lawyer or HR specialist may be required.
- The grants to fire departments does not include the potential changes to personnel insurance. The only costs included are research and procuring quotes. Staff were directed to research a potential figure to include in the budget for the project, which may be a figure to be phased in over a few years. This will be brought forward to the April 16 meeting.
- The School Board will no longer be holding elections that will run with MODL's election. In the past, MODL was responsible to administer the School Board election, which was more work for elections staff, however, some of the costs of the election could be billed out to the School Board. This means costs to hold the MODL election will increase.

11.1.1.7 Planning, Building Inspection and Zoning

Ms. Wentzell reviewed the Planning, Building Inspection and Zoning portions of the 2019/20 draft operating budget (circulated with Agenda) and answered questions posed by Committee members.

11.1.1.8 Economic Development

Dave Waters, Director of Business Development, Tourism & Infrastructure, was present and reviewed the Economic Development portion of the 2019/20 draft operating budget (circulated with Agenda) and answered questions. The following points were noted:

- The budget includes the hiring of a full time Economic Development Officer. Concern was noted that MODL is not a large enough entity to have this additional position. It was noted that there are many projects that could be focused on with this position that are not currently being completed. This position was discussed at a workshop and support for the position was given.
- A request was received under the Community and Economic Development Grant from NOW Lunenburg County, however, this should be treated as a special project as the request is for \$12,000. They will be representing the area at a Conference in Halifax to recruit doctors, where they will set up and operate a booth. It was noted that they were also looking to travel to France to recruit doctors. Staff was asked to clarify if the funds would be used for the recruitment conference or for the project to travel to France to recruit doctors. NOW Lunenburg County will be returning to Council to bring back information on recruitment and retention numbers and more specific details on how the money will be spent.
- The federal government is looking to have 90% of the population of Canada connected to internet by 2024. Concern was raised that this is an aggressive timeline and the federal government will likely be looking for partnerships with the municipal units to meet this goal. Mr. Waters noted that the federal government is allocating \$5-6 billion over the next 8 years for internet and will also have funding from the Canadian Radio-Television and Telecommunications Commission. They are creating a new eligibility map and a rural economic development strategy, which will provide MODL with more information. They are considering projects similar to Connect to Innovate.

11.1.1.9 Recreation Services

Trudy Payne, Director of Recreation Services, and Laura Barkhouse, Trails and Open Space Coordinator, were present and reviewed the Recreation Services portion of the 2019/20 draft operating budget (circulated with Agenda) and answered questions.

The following points were noted:

- The Osprey Village Trail will be a significant connector from Pine Grove Road to Cookville. The plan needs to be developed to ensure that the Nathan Cirillo Road work being done will allow for the trail connection in an efficient and cost effective manner. Council can make this project a priority and complete the trail work while the road is being built.
- The Town of Lunenburg is requesting \$40,000 toward the purchase of a new Zamboni. Council has already committed funds to repair the roof of the community centre. More information on the request will be presented at the April 16, 2019 meeting.

11.1.1.10 Financial Services

Ms. Wentzell reviewed the Financial Services portion of the 2019/20 draft operating budget (circulated with Agenda) and answered questions.

Mr. Malloy advised that this is a preliminary review of the budget. The operating and capital budgets will be coming back for another review on April 16, 2019. The final approval will be held on May 14, 2019 during an evening Council meeting. If Council has any changes they want to make to the budget those items should be discussed now, and further changes can be made during the April 16th meeting.

A discussion was held regarding the funding for the replacement of the Zamboni in Lunenburg. Council would like to see all funding going to the Town together, including the Zamboni, roof repairs, operating grant, etc. It was noted that hockey players from around Lunenburg County use the LCLC and the Town of Lunenburg ice surfaces for games and practices. There is not enough ice time available, so all of the arenas are needed. The Zamboni is needed and MODL will receive advertisement on the Zamboni for its contribution.

A discussion was also held regarding economic development. It was noted that Council recognized that the Regional Enterprise Network was not the right model for economic development in the area. Council held two full workshops on economic development and the focus now is to be more community oriented and to work more closely with tourism and business communities. The economy in MODL needs to be built.

11.1.2 Proposed Changes to Audit Standing Committee Terms of Reference

Ms. Wentzell reviewed the report titled "Proposed Changes to the Audit Standing Committee Terms of Reference" (circulated with Agenda). She noted that the Financial Reporting and Accounting Manual now states exactly what the Audit Standing Committee is required to do, including its roles and responsibilities. The Terms of Reference are being updated to reflect these changes.

Concern was raised that in the event of an Alleged Wrong Doing, the suggestion is to have the committee and staff review the situation. It was felt that a third party, such as the municipal auditor or Auditor General be included. It was noted that the Committee is able to meet directly with the municipal auditor without staff. The change will be made to the report, however this level of detail is not in the Terms of Reference so no change in the Terms of Reference is required.

It was also noted that Municipal Affairs will be specifying what training will be required for members of the Audit Committee.

Moved by Councillor Knickle seconded by Deputy Mayor Moore that the Finance Committee recommends to Council that Municipal Council approve the amended Terms of Reference for the Audit Standing Committee as presented. Carried unanimously.

11.1.3 Full & Partial Tax Exemptions

Councillor Ernst declared a Conflict of Interest as he is a member of the Mahone Islands Conservation Association and left the meeting.

Ms. Wentzell reviewed the report titled "Partial and Full Tax Exemptions" (circulated with Agenda).

Councillor Hustvedt declared a Conflict of Interest as he has a family member associated with one of the community groups and left the meeting.

Moved by Deputy Mayor Moore, seconded by Councillor Bell that the Finance Committee recommends to Council that Municipal Council approve the full and partial tax exemptions for qualifying non-profit organizations as outlined in the attached schedules. Carried unanimously.

Councillors Ernst and Hustvedt returned to the table.

11.1.4 2019 Tax Sale Update

Ms. Wentzell reviewed the report titled "Tax Sale March 11, 2019" (circulated with Agenda). The report was for information purposes only.

12. MAYOR'S/DEPUTY MAYOR'S/COUNCILLORS' MATTERS:

12.1 Lunenburg County Lifestyle Centre Update (M. Ernst)

Councillor Ernst gave the following update on the Lunenburg County Lifestyle Centre:

- The next meeting will be held on April 25, 2019.
- The Board is currently working through interim changeover issues as MODL and the Town of Bridgewater have recently taken over operations of the LCLC.
- The Board is looking at possible additional activities to be held at the LCLC, such as a gym, climbing wall, roller skating, table tennis, inflatable pool features, spin bikes, etc. They are looking to attract users that may not be going to the LCLC now.
- The budget presentation will be made to Council on April 16. The budget request last year was \$440,000, which included capital expenses. This year the request will be for \$420,000 in operating plus \$87,500 in capital. The additional capital request is to deal with condensation issues which are affecting the ice surface and to fix the roof leak.
- The Tanya Tucker concert will be held on May 11, 2019 and there are still tickets available.

12.1 Council Summer Break Schedule (E. Hustvedt)

Councillor Hustvedt noted that each summer Council takes a break for one month. He would like to determine the dates of the break, as sometimes Council takes break from mid-July to mid-August and other times the whole month of August was taken. To ensure the break is held at a time affecting as few meetings as possible, it was agreed the break would be held from July 29, 2019 to August 23, 2019.

Moved by Councillor Hustvedt, seconded by Mayor Bolivar-Getson that the Finance Committee recommends to Council that Municipal Council approve the summer break from Council and Council Committee meetings from July 29, 2019 to August 23, 2019. Carried unanimously.

13. IN CAMERA

Mr. Dumaresq and Councillor Ernst declared a Conflict of Interest in relation to item 13.1 and left the room.

At 11:40 a.m., it was moved by Councillor Hustvedt, seconded by Councillor Carver that Municipal Council go In Camera to discuss item 13.1 Land Negotiations re Oakland under Section 22(2)(a) of the *Municipal Government Act*. Carried.

Municipal Council In Camera in session.

At 11:55 p.m., it was moved by Mayor Bolivar-Getson, seconded by Councillor Hustvedt that Municipal Council come out of In Camera and return to open session. Carried.

Municipal Council in session.

14. ADJOURNMENT

There being no further business at 11:55 p.m., it was moved by Councillor Hustvedt, seconded by Councillor Knickle that the meeting adjourn. Carried.