



MUNICIPALITY OF THE DISTRICT OF WEST HANTS
Committee of the Whole
March 25, 2015 9:30 a.m.
Sanford Council Chambers

Present:	G. Cochrane	Chair
	R. Dauphinee	Warden
	S. Pineo	Councillor
	R. Matheson	Councillor
	T. Brown	Councillor
	J. Daniels	Councillor
	M. Campbell	Councillor
	V. Swinamer	Councillor
	C. Osborne	CAO
	M. Laycock	Director of Finance
	R. Sherrard	Director of Public Works
	K. Dempsey	Director of Planning
	R. Brown	Municipal Clerk
	J. Woodman	Administrative Assistant
Regrets:	R. Allen	
	K. Kehoe	

There was 1 member of the public in attendance.

1. Call to Order
2. Announcements
3. Approval of Agenda, including additions or deletions

MOVED by Warden Dauphinee and Councillor Campbell that the agenda be approved as circulated.

Motion Carried.

4. Approval of Minutes of March 2, 2015

MOVED by Warden Dauphinee and Councillor that the minutes of March 2, 2015 be approved noting any or errors or omissions.

Motion Carried.

5. Presentation – RCMP

CAO Osborne reported that the RCMP are in attendance to give information that was presented to the Police Advisory Board, however noted there is a component of it they would like to present in camera due to the nature of the discussions of resources and security reasons.

MOVED by Councillor Campbell and Warden Dauphinee to move in camera at 9:35 am to discuss resources and security for the RCMP.

Motion Carried.

MOVED by Councillor Campbell and Warden Dauphinee to come out of camera at 10:35 a.m.

Motion Carried.

Warden Dauphinee asked why there were so many RCMP vehicles. Dan Austin advised there is a ratio worked out for members to vehicles and reminded that extra vehicles were required when additional members were called in for an emergency.

MOVED by Warden Dauphinee and Councillor Campbell that the RCMP request be referred to budgetary discussions for consideration.

Motion Carried.

6. Fire Departments

a. Brooklyn Fire Department

Chief McDade reported that they have met to review the process with the Director of Finance and CAO. He noted the most significant concern their department has is with the Forest Lakes Resort with the amount of development occurring and the need for an aerial device for this location.

He explained that he had spoken with the Fire Inspector who advised of a 12 unit condominium that is three stories with a pitched roof and he expressed concern in regards to access and fire fighting force.

He reported that the Municipality had suggested that they start investigating an Aerial truck and determined it will cost approximately 1.2 million, adding this is over their budget. He expressed concern about their pump rating as it is indicating once pumpers reach the 20 year age mark the pumping capacity falls to half. He explained they currently have one pumper that sits at zero and another that within two years will be at zero which leaves them with one remaining pumper. He noted the current budget includes an amount to replace the rescue pumper. He advised the department is spending significant amounts of money on repairs for vehicles and have concluded that it is not feasible. He indicated that he would be providing a presentation in the future from their service providers expressing concerns about the state of the trucks and the amount of running that is required. He mentioned they run approximately 200-250 alarms per year with the addition of training.

He cautioned that consideration needs to be given to purchasing new vehicles in order to keep the fire rating at a good standing. He noted that they had to increase the truck payments this year which is an approximate \$40,000 increase reflected under long term debt. He stated they have included \$40,000 for honorariums, and clarified that they have never used any of the Municipality's funding in the past for this purpose.

CAO Osborne reported the funding provided to fire services is broken between operating and capital and she understood from Chief McDade that the department borrowed the money for the truck and is trying to pay the debt down faster so when the aerial truck arrives the department has the capacity to cover it. She suggested she would like to see this change slightly so the department is not carrying it as a direct debt. She cautioned she didn't want to create anticipation that other departments might want to commit to a purchase of a piece of equipment and confuse the issue of ownership.

Councillor Pineo asked whether the department was able to apply to the government through the firefighting fund. Chief McDade confirmed they were



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permitted to apply, however there was not a guarantee of funding. Councillor Matheson cautioned that the fire department building is beginning to need some maintenance and the Municipality needs to be clear whose budget these expenses will be taken from and suggested that the Municipality should be responsible for fixing the building as the owners. He clarified that the cost for the aerial truck was not included in the budget as it would be a West Hants truck not just for the Brooklyn Fire Departments usage and would only be stationed there as it has the room. Chair Cochrane asked what repairs were required to the building. Chief McDade responded that basic maintenance was required such as painting the entire fire department and suggested there has been several leak issues. He offered it would be more of a contingency plan for the future.

Councillor Matheson stated the Brooklyn Fire Department's contract is up and reminded that all the clauses have not been followed and suggested it should be reviewed in the future when time permits. Martin Laycock, Director of Finance agreed that a more efficient way should be investigated when reviewing the contract. CAO Osborne suggested that administration would come to Council with a recommendation on how to move forward with fire services, and reminded that mediation continues with the Windsor Fire Department. She suggested there are other issues in the Municipality's relationship with the fire services.

She stated that she met with the fire chiefs in the fall and addressed the need for West Hants to develop some service standards and give the Municipality the opportunity to discuss the type of service it's paying for. She suggested getting a fire service policy in place to ensure the expectations are clear across the board and ensure consistent service for all the residents and not service based on where they live in the Municipality. She suggested this would need to be a cooperative activity with the fire services.

Councillor Pineo asked if the CAO would also be asking the chiefs to review their boundaries. CAO Osborne suggested this would be fair given the population change. She reported that word has been received from the Fire Marshal's office that there is some conflicting boundary overlaps for forestry fires and the Municipality, she suggested this may force her to respond sooner than anticipated. She indicated that she would like to discuss this matter jointly with the fire services. Chief McDade indicated that their department responds to South Rawdon which is approximately a 23-27 minute response time, and if they respond towards Town they only go 7 minutes before they have to stop and suggested they have more to offer.

He expressed concern about the 101 series highway catchment area being given to the Windsor Fire Department years ago and offered that their department would like to have this area returned to them.

Councillor Matheson felt that the Fire Advisory Committee needs to meet now that the Municipality has a tremendous working relationship with the fire departments.

b. Summerville Fire Department

Chief Spencer reported that their department's budget proposal is based on the calendar year. He noted the income they listed for their 2014 summary includes any fundraising that the membership did, all donations, contributions and grants

and any other funds that were incurred which had a significant increase due to a massive three day forest fire they responded to. He indicated the money received from the province has inflated the category.

He stated the department's fuel budget was decreased this year due to the reduced call volume which he felt is directly related to fire prevention week activities and spreading the word on fire safety. He reported the amount for truck repairs was substantial; adding their newest truck in the fleet incurred extensive damage during the fire suppression efforts in the wild land fire operations resulting in a \$10,000 cost they were not anticipating.

He advised this year members had several injuries caused by footwear which caused them to reevaluate and a decision was made to purchase leather boots which he hopes will result in less injuries. He noted the department has identified a couple of ladders that may need to be replaced in 2015. He explained in 2014 they had to replace 14 cylinders as it was discovered during their routine inspection that 13 of their compressed air cylinders were made from defective material in the 1970s and was a \$10,000 expense to replace. He added they also upgraded their thermal image camera and were able to use a rebate through the manufacturer at an expense of approximately \$5,000. He explained they also have a second camera that they have committed to replacing and have sent out and taken advantage of the same opportunity.

He added under communication and dispatch this year the most notable is the hardware software upgrade "I am responding" and new TMR 2 portables from the province which has required the department to have additional licensing. He advised the department has identified issues with their communication capability over their zone of coverage which has forced them to be one of the last departments to move to the "I am Responding" where the fire fighters receive text messages causing a slight increase in the budget.

He indicated they identified an issue with their heating system and had to take action which cost approximately \$7,700 to repair which was unforeseen.

He explained the members decided in 2014 to take on a fundraising project to provide an upgrade to their meeting and training room. He added they were able to contribute over and above operating dollars in the amount of \$25, 818.17 for the upgrade. He noted they also made a move to a standardized station as other neighboring stations have done which resulted in an increase. He advised they have upgraded their truck communications telephone system as well as a residential civic address number tracking system on their rescue truck.

He affirmed if there is any money left over in their operating budget they transfer a lump sum payment to the debt for truck 3 purchased in 2008 which the Municipality provided a letter of support. He pointed out the long term debt for the new tanker purchased which is recognized as a capital debt.

He proposed they are not seeking an increase as they recognize the issues the Municipality is currently having with other departments, but have earmarked their pumper truck which is 30 years old and was pump tested this year and failed to meet its pump classification test which makes it deficient. He implied it has always been their intention to replace this truck in 2016/2017 and noted they would be looking for a letter guaranteeing the loan but no additional funding as they are expecting to pay out the debt on truck 3 from their operational funds. At that time they would request to transfer \$50,000 from the operational side of their current existing budget to the capital budget to service the debt on a new small pumper.

He stated they have also included a list of their wants and needs for capital, and he highlighted the most imperative.



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CAO Osborne asked if the department was comfortable buying equipment through the Municipality at a cheaper rate and asked who Chief Spencer believes owns the equipment if the Municipality is paying for it. Chief Spencer responded he didn't think there were any misconceptions in respect to the membership knowing the trucks belong to the Municipality as much as it does the department. He indicated the department has discussed on numerous occasions changing the title of the vehicle over to the Municipality due to legalities, etc.

Councillor Daniels asked where the honorariums are paid from and how many members they have. Chief Spencer responded they have a very strict adherence to the honorarium policy. He confirmed active fire fighters have to maintain a minimum of 35% call and training attendance and confirmed it does come from the operational funds.

7. IT Budget

J. Hanshaw expressed the importance of continuing on with the workstation 3 year replacement schedule, confirming there are eight to replace this year. He advised the server is now in a very secure location. He indicated there has been a request for additional wireless microphones for the council chambers. Chair Cochrane asked if consideration had been given to a display board for the chair to be able to easily identify in sequence which councillor speaks. J. Hanshaw confirmed it was not included in the budget but could be investigated if Council directs.

He reported the new initiative is to refresh the hardware in order to maintain functionality and ensure no downtime with the system adding this would be a significant ticket item. He noted another upgrade to the Dynamics financial system is required.

He highlighted the budget includes the process of advancing wireless technology to allow better wireless coverage throughout the building. He noted the e-mail archive system has been requested by a number of municipalities as its purpose is to protect the corporate e-mails and data and can be searched easily for FOIPOP purposes. CAO Osborne suggested before proceeding with this as a policy would need to be developed with clear guidelines for information management.

Jeff Hanshaw reported the overall operating budget for the year is \$129,660 which is a slight increase from the previous year which includes extending the warranty on the existing server. Martin Laycock, Director of Finance pointed out there is not a reserve or other funding source for capital purchases for IT and therefore this impacts the tax rate directly.

8. Budget Review

9.

Martin Laycock, Director of Finance reported that each department was asked to make significant cuts to their budgets and he reviewed the items and what they felt they absolutely couldn't go without. The budget was reviewed line by line in order for the councillors to obtain a clear picture. He noted the total cut ended up being approximately \$364,000.

He started with the Planning Department noting their total proposed original budget was \$664,348 and the Director of Planning made \$33,000 in cuts, and clarified that the department heads all included what the impact would be on the suggested cuts. Karen Dempsey, Director of Planning reported there is very little discretionary spending within her budget to start with, adding salaries and wages make up the bulk of the budget. She confirmed she had initially included \$15,000 in anticipation of the discussion for a grant program which occurred at the Heritage Advisory Committee and the recognition that funds were not available for conservation work to privately owned heritage properties and suggested that this was the first item she was prepared to take out, when asked to cut the original budget. She cautioned this would have an impact as the Municipality has recognized in the mission statement that heritage is an important component and is aware of the gap in funding at the provincial level for municipally registered privately owned heritage properties and therefore no money would be available to assist them.

She went on to explain the second suggested cut to the budget would be legal costs as long as there is recognition that the risk of being over budget in relation to unforeseen legal matters is fairly substantial. She cautioned she could not control if something goes to a UARB hearing or the types and numbers of development agreement applications that come through their office and the legal resources they might require.

She advised the third cut would be development contingency and again cautioned there could be things that occur that end up in an over expenditure. She confirmed these are the only three areas in her budget in which there is discretionary spending.

CAO Osborne asked if the budget included funding for a district boundary review. Karen Dempsey, Director of Planning confirmed funding was not included. CAO Osborne indicated the solicitor felt the Municipality could go to the board on its own without legal representation given the structure of the Stantec report. Councillor Pineo indicated that she was not satisfied how the boundaries were done and asked if legal representation would be necessary in order to make changes. CAO Osborne confirmed changes would require an entire new study adding there was no motion currently from Council to change it.

Karen Dempsey, Director of Planning understood that the 2014 Stantec Report and the new proposed polling district boundaries would be taken to the UARB hearing. Councillor Pineo advised that citizens are asking for clarification on where the boundaries are and questioned whether there would be an opportunity for public input. CAO Osborne clarified the board ordered that a boundary review take place under the Hantsport Dissolution and in that process there were at least three public meetings where everyone was permitted to ask questions. She confirmed we do have the data and given the time could create the information required on an individual district basis and give it to Council but cautioned the employee who works on GIS is already overwhelmed dealing with other critical issues however as soon as time is freed up the information will be provided to show what the new polling district boundaries would look like.

Martin Laycock, Director of Finance highlighted an error that was presented at the last meeting regarding the total Recreation budget. He noted there was approved gas tax funds for the Irishman's Road trail explaining the revenue was put in however the expense was not and would be closer to a \$550,000 budget and noted the consequence of this would result in a \$1.04 increase.

He explained the total cuts made in the Recreation budget is \$24,622 noting a recreation intern would be cut by a week which would have a direct impact on revenue. CAO Osborne added the cuts that the Director of Recreation has made is



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to compress all the work she is trying to do down to one or two weeks less which may result in less programming options therefore revenue would decrease.

Martin Laycock, Director of Finance reported trails was reduced in the Recreation budget and suggested that Council should consider the amount of trails that have been added and cautioned a reduction in funds would impact the department's ability to maintain to a satisfactory level. CAO Osborne agreed and noted that trails are an asset that comes with a significant amount of risk and if there is a cut in this area it increases the potential risk. Martin Laycock, Director of Finance noted another suggested area was to reduce was the municipal float.

CAO Osborne advised that providing recreation activities is part of the adopted mission statement and shows up in a lot of the work done to date.

Rick Sherrard, Director of Public Works reported in his department there is only two budgets that impact the tax rate: Solid Waste Collection & Disposal which is entirely contract driven and roads noting over half is what is paid under the TIR contract for the roads they maintained adding there is only a small portion in which they have any control over. They looked at mileage and training reduction but cautioned it would impact staff's ability to do their work effectively.

CAO Osborne reported the cuts made under By-law were to adjust the supplies budget but argued what was planned to be in this year's budget were additional safety supplies for the activity of dog catching. She noted if the membership fee is reduced the new By-Law Enforcement Officer will not have the ability to take any networking training for this year or attend the conference and cautioned these opportunities would be helpful and supportive to the new hire.

Martin Laycock, Director of Finance reported on general government noting it is made up of three components; Administration, Finance and Office of the CAO. CAO Osborne reported the first item is a reduction in mileage, second convention and conferences, noting this is a budget line which supports both staff and Council to attend various conferences. She stated the networking opportunities are beneficial for staff and Council. She noted Windsor Fire Department legal is a new item for this year and explained mediation continues and we will still be incurring some additional costs. She cautioned this is another item that could go over budget.

Councillor Pineo asked if the mileage is for anyone in the office and asked if this included the CAO's mileage from home to work. CAO Osborne confirmed that she does not get paid mileage to travel from her home to the office.

Martin Laycock, Director of Finance reported the suggested cuts for the Finance department would be overtime and conferences, mileage and the casual worker position. He cautioned cutting in these area explaining there are a number of sick leaves for various issues and felt the reduction would have a significant impact on productivity.

He reported on cuts for other government and office administration, noting Newport Station School was originally budgeted at \$20,000 and it was suggested it could be reduced to \$10,000. CAO Osborne indicated that she was advised the gate will need to be locked which means the RCMP will not respond if there is an incident adding this is a contingency plan until Council determines what they would like to do when

the building is officially turned over. Chair Cochrane expressed that he felt it would make more sense for the Municipality to sell or lease the building. CAO Osborne suggested the Municipality should establish a policy on surplus of properties to determine how and when something is declared surplus. She suggested that there also needs to be a process that the public have ample opportunity to enter into it.

Martin Laycock, Director of Finance referred to a previous discussion on health benefits for employees who want to retire before the age of 65. He explained currently employees would have to obtain private insurance themselves and couldn't continue the insurance covered by Blue Cross. CAO Osborne indicated that they had not offered this to staff yet in regards to splitting it or taking it on 100%. She added that they suggested that Council take this on completely and felt it would be a form of good succession planning as there are employees who might like to retire that can't because they don't have the health coverage. Councillor Matheson suggested for \$3,000 this would be important for employees who want to retire early.

Martin Laycock, Director of Finance suggested that cuts could be made to budget supplies, office equipment, sequel upgrade that is not necessary at this time, grants to organizations and staff improvement. He explained there was a reserves policy put in place to meet certain criteria for capital reserves with percentages that would be contributed on an annual basis and the operating reserve which is based on 8% of the operating revenue. He proposed that the infrastructure reserves be cut back by 50% with the idea to gradually build up to the annual contribution. He noted that he is suggesting using the tipping fee reserve to make it a sizable operating reserve.

Councillor Pineo inquired whether there was a still an accumulated surplus which has been used in the past for onetime items to reduce the tax rate and asked if this could continue to be done. Martin Laycock, Director of Finance opposed the idea and explained this is only the residual value of the organization and cautioned this is how businesses find themselves in distress, adding that cash is the only thing that matters.

CAO Osborne reported this is why staff suggested reserve policies to formalize and protect the Municipality from the ebbs and flows. She suggested that discussions are needed on how to return funds back to the operating reserves so it is always there. She explained the Municipality currently didn't have anything that speaks directly to how that happens which is why the reserve policy was established.

Martin Laycock, Director of Finance presented what staff wished to return to the budget. He reported that the Planning Department suggested that all their cuts be kept, however add \$6,000 for vehicle purchase and maintenance and have a net total cut of \$27,000. He explained basically everything was requested back for the Recreation Department with the exception of the municipal float. Under Roads & By-Law it was suggested all the cuts be returned, Office of the CAO everything added back with the exception of the mileage, and the Finance Department suggested keeping the overtime cuts but return all other. He confirmed that he added an additional \$10,000 to the audit budget to prepare unconsolidated statements for three funds. He noted under Other Government Spending they would like to keep the 50% split in health benefits, as well as in office supplies, communications and Newport School was added back in. He indicated the Fiber Opt backup hardware required an additional \$5,000 that wasn't proposed. He referred to reserves and suggested keeping the \$195,000 cuts which would be half of the capital contribution and a full \$120,000 with the idea that the tipping fee comes over.

He advised the CAO has a recommendation from the Pension Committee to increase pension contributions by 2% that would create a cost increase to the Municipality at



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approximately \$29,000 per year. He explained there is a contingency plan in place for this as well as an annual staff salary increase. CAO Osborne indicated this would be a performance based salary compensation for staff. Councillor Pineo cautioned about giving significant raises in an economically tight time. CAO Osborne suggested it is an unusual employment relationship for an automatic COLA on salaries, and she felt the Municipality should review the whole package of benefits that are provided to employees to determine what is in the best interest of the residents as it comes off the tax rate but keep in mind what will attract and maintain employees.

Martin Laycock, Director of Finance reported with all the changes this leads to a projected revenue of \$12.5 million, expenses \$12.6 million however with the net transfers from reserve that would equal the revenues which results in a potential tax rate of \$1.01. He pointed out that the Municipality is not limited to whole numbers which could be an option.

CAO Osborne thanked the Director of Finance for his efforts working on the budget with the directors who stepped up and worked very hard to meet the request of Council to determine the impact the rate would have on operations and their discomfort of moving forward and a recommendation that Council accept the increases and that consideration given to the fact that the first two cents is commitments Council made last year that must be carried forward this year.

It was agreed to hold another meeting to discuss the budget further and allow council time to review the information given.

MOVED by Councillor Campbell and Councillor Pineo that all the financial correspondence information be received and placed on file.

Motion Carried.

10. Date of Next Meeting- April 8, 2015 at 9:30 am.
11. Adjournment

MOVED by Councillor Campbell and Councillor Swinamer that the meeting adjourn.

Motion Carried.

The meeting adjourned at 3:00 p.m.

Gary Cochrane, Chair

Rhonda Brown, Municipal Clerk