

VICTORIA COUNTY MUNICIPAL COUNCIL
July 21, 2014

A meeting of Victoria County Municipal Council was held at the Court House, Baddeck, on Monday, July 21, 2014, beginning at 5:00 p.m. with Warden Bruce Morrison in the Chair.

Present were:

District #1 – Paul MacNeil
District #2 – Athol Grant
District #3 – Bruce Morrison, Warden
District #4 – Merrill MacInnis
District #5 – Fraser Patterson, Deputy Warden
District #6 – Larry Dauphinee
District #8 – Johnny Buchanan

Also present was:

Heather MacLean, Recording Secretary

Absent were:

District #7 – Wayne Budge (Out of Town)
Sandy Hudson, CAO (Illness)

CALL TO ORDER/APPROVAL OF FINANCIAL STATEMENTS

Warden Morrison called the meeting to order and presented the agenda for approval.

Deputy Warden Patterson requested that discussion on an Open Fire By-Law be added to the agenda.

It was moved by Councillor Buchanan, seconded by Councillor Dauphinee, that the agenda be approved with the noted addition. Motion carried.

PRESENTATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Courtesy of Council was extended to John MacNeil, Grant Thornton LLP, and Leanne MacLellan, Director of Finance, who presented the Draft Non-Consolidated Financial Statements for the Municipality of the County of Victoria for the year ended March 31, 2014.

Mr. MacNeil indicated that formal reporting to Council is part of the audit process. The statements are in draft form until approved and the consolidated statements will be provided at a later date. He indicated that all the information they looked for was received and any adjustments required were completed during the course of the audit.

Mr. MacNeil advised that the County had an uneventful year and that is a good thing. The audit went well with no surprises. Uncollected taxes have improved and a 5 year program to fund the capital fund as recommended by the Province has been established.

Mr. MacNeil reviewed the operating fund balance sheet with Council and indicated that in terms of assets, cash is strong and receivables have decreased.

Deputy Warden Patterson questioned on the percentage decrease in receivables and Mr. MacNeil indicated that he did not off hand know the percentage but taxes levied for 2014 were \$8,095,632 and collections amounted to \$8,363,907, so approximately \$268,000 was collected on prior years.

In terms of liabilities, the term loan was decreased from \$1.9 million in 2013 to \$713,461 in 2014. Under general government services an amount was included for the accrual of sick time which is paid out at retirement. This was approved but not budgeted and is now being funded over time.

Mr. MacNeil reviewed the capital reserve balance sheet and statement of capital reserve, as well as the operating reserve balance sheet and statement of operating reserve.

Mr. MacNeil reviewed the statement of operations and indicated that the Municipality ended the year with a \$41,645 operating surplus, based on a total budget of \$11,523,432.

Discussion took place and Mr. MacNeil and Mrs. MacLellan answered various questions in regard to the statements.

The draft financial statement for the Victoria County Water Utility was also reviewed. Mr. MacNeil indicated that there was no significant change from last year and no items stood out.

The statement of operations and deficit was reviewed. The County provides funding for public fire protection in the amount of \$239,927, an amount regulated in the Water Order as approved by the UARB. Capital funds received from the County for the year were \$368,778 (gas tax funding) and non-operating expenses (principal repayment and interest on long term debt amounted to \$360,225. The surplus for the year was \$150,961, but taking into account the deficit of \$1,782,702 at the beginning of the year, the deficit at year end was \$1,631,741.

The long term debt of the Utility was reviewed. The annual principal repayment over the next four year is \$305,300 annually.

The requirement for another water rate study for the Utility was discussed. A meeting on the operations and budget for the Victoria County Water Utility will be held in August and the status of the rate study for the Utility will be reviewed at that time.

Mr. MacNeil then presented his letter of comments for the year on County control and procedures.

He indicated that in an ideal accounting system there would be segregation of duties. He outlined that journal entries are important and the Director of Finance signs off on journal entries made by staff and the CAO signs off on journal entries made by the Director of Finance.

He advised that tax receivables are coming down and this is good to see and should continue.

The loss of water in the Water Utility is being investigated and is improving. Vacation/sick time accruals is now being fully funded and this is good to see.

The audit this year went extremely well and he thanked the staff for the cooperation received during the course of the audit.

Further discussion took place.

It was moved by Deputy Warden Patterson, seconded by Councillor MacInnis, that the draft non-consolidated financial statements for the Municipality of the County of Victoria for the year ended March 31, 2014, and the draft financial statements for the Victoria County Water Utility for the year ended March 31, 2014, be accepted. Motion carried.

Warden Morrison extended a thank you to Mr. MacNeil and Mrs. MacLellan for their report.

APPROVAL OF MINUTES – JULY 7, 2014

The minutes of the July 7, 2014, meeting of Victoria County Municipal Council were presented for approval.

It was moved by Councillor MacNeil, seconded by Deputy Warden Patterson, that the Victoria County Municipal Council minutes of July 7, 2014, be approved as presented. Motion carried.

BUSINESS ARISING FROM MINUTES

Whether any word was received with regard to the requested meetings with the Minister of Transportation and the Minister of Tourism was questioned.

To date, no reply has been received to the meeting requests.

DISTRICT CONCERNS

District #5

Deputy Warden Patterson indicated that he has had a number of people inquire about acquiring the bus shelters in his district.

He felt the bus shelters that are no longer in use should be declared surplus.

Which shelters are no longer in use will be investigated when school resumes in September and a decision on the status of the bus shelters will be made at that time.

District #6

Councillor Dauphinee questioned whether there was any way to determine if water is being stolen at our water utilities.

This matter will be added to the August meeting on the water utilities.

It was moved by Councillor Dauphinee, seconded by Councillor Buchanan, that a letter of appreciation be forwarded to the Volunteer Fire Departments and the public in the northern area of the County for the excellent work and cooperation at the recent bus accident at Neil's Harbour. Motion carried.

District #7

Deputy Warden Patterson, on behalf of Councillor Budge, brought up the Neil's Harbour Water System and the status of a second pump for the system.

This question will be directed to the Director of Public Works.

District #8

Councillor Buchanan questioned on the next step with regard to the cell phone service project now that the official announcement has been made.

Warden Morrison indicated that ACOA are aware of the announcement and when the CAO returns, the next steps will be investigated.

District #4

Councillor MacInnis indicated that a letter should also be forwarded to Lyle Donovan, EMC, for the excellent leadership and organization he provided at the recent bus accident at Neil's Harbour.

District #2

Councillor Grant advised that Seaside did two videos for the website on fly fishing and the Uisge Ban Falls. He felt that with the new committee formed with regard to the hospital and doctor recruitment, a website should be developed to recruit doctors complete with videos. The cost to develop the videos would be \$3,000 to \$4,000 and he felt it should be done before the summer is over.

It was moved by Councillor Grant, seconded by Councillor Dauphinee, that \$4,000 be allocated to undertake promotional videos to assist with physician recruitment. Motion carried.

Deputy Warden Patterson indicated the he attended a Race the Cape function last night. He felt it would have been an opportune time to promote Victoria County, but there is no promotional material available to give out. He felt there should be some type of promotional material for such instances. A plan should be developed to promote Victoria County.

District #1

It was moved by Councillor MacNeil, seconded by Councillor Buchanan, that \$1,000.00 be approved from the District #1 budget for the Little Narrows Development Association to assist with maintenance of their hall. Motion carried.

Councillor MacNeil expressed concern on not hearing from the Minister of Transportation with regard to a meeting. He indicated that subsidence and erosion is an issue in the Grass Cove area and something has to be done as soon as possible.

He felt a letter should be forwarded to the Premier expressing Council's concern and displeasure with the lack of response from the Minister of Transportation with regard to a meeting with Victoria County Council.

Councillor Buchanan advised of a similar erosion problem across from the Neil's Harbour Post Office which Councillor Budge has addressed on a number of occasion.

Councillor MacNeil brought up concern with the minimal amount of spreader patching done in his district and indicated that cutting on the roadsides is required all through the County.

Council is willing to go to Halifax to meet with the Ministers of both Transportation and Tourism.

It was moved by Councillor MacNeil, seconded by Councillor Dauphinee, that a letter be forwarded to Premier MacNeil expressing Council's frustration with regard to the lack of response with regard to our request to meet with the Minister of Transportation. Motion carried.

It was moved Councillor MacNeil, seconded by Councillor Buchanan, that Darren Blundon, Area Manager, TIR, be requested to survey and repair the signage in District #1. Motion carried.

It was moved by Councillor Dauphinee, seconded by Councillor Buchanan, that a letter be forwarded to the Premier with regard to Council's unsuccessful request to meet with the Minister of Tourism. Motion carried.

District #3

Deputy Warden Patterson assumed the Chair.

Warden Morrison advised that along with the fire departments and Lyle Donovan, he felt a letter should be forwarded to the Cape Breton District Health Authority expressing appreciation for the work of the seven doctors who attended to the recent bus accident at Neil's Harbour.

Warden Morrison also requested that Stephen MacDonald, Area Manager, TIR, be contacted concerning an erosion issue on Highway 205 in Baddeck Bay (adjacent to the late Herb MacRae property).

Warden Morrison returned to the Chair.

OPEN FIRE BY-LAW

Deputy Warden Patterson indicated that the Department of Natural Resources no longer issue burning permits. They have a website that advises of the fire hazard index in the area and which says to consult your Municipality also. This appears to be another provincial government download on municipalities.

He advised that he serves on the Fire Services Advisory Committee and will bring this matter to the committee.

The CAO is to check with other municipal units with regard Open/Outdoor Fire By-Laws.

REN

Warden Morrison provided an update on the status of the REN. He and Mike Johnston, Department of Economic and Rural Development, met with the Cape Breton Small Business Centre and the Cape Breton Partnership with regard to the proposed structure and they are to advise by the end of the week if they are in agreement with this proposal.

Councillor MacNeil indicated that an Economic Development Committee meeting will be held at the Court House on Thursday, July 24, 2014, at 5:00 p.m.

OSBOURNE BURKE

Warden Morrison extended the courtesy of Council to Osbourne Burke who brought forward a concern with regard to RCMP costs to which Warden Morrison responded.

Mr. Burke also indicated his concern with regard to the operations of Victoria Co-op Fisheries. It is the largest employer in the County and his concern is the water system. July and August are critical processing months for the fish plant and the concern with regard to the water supply needs to be addressed before next season. He advised that they use chlorinated sea water as much as they can. He requested Council to undertake repairs to the system to improve the supply.

Warden Morrison indicated that the Municipality has an infrastructure priority list and will see where this system fits on the list. Mr. Burke's points are well taken and Council will review this issue with the CAO and Director of Public Works.

NEXT MEETING

Council decided to meet on August 11, 2014 and August 25, 2014, if necessary.

A meeting is to be arranged with Scotia Windfields and the EMC in the near future.

ADJOURN

There being no further business, on motion of Councillor Grant, seconded by Councillor Buchanan, the meeting adjourned at 6:05 p.m.

Sandy Hudson, CAO

Bruce Morrison, Warden