

**VICTORIA COUNTY MUNICIPAL COUNCIL**  
*August 10, 2015*

A meeting of Victoria County Municipal Council was held at the Court House, Baddeck, on Monday, August 10, 2015, beginning at 5:00 p.m. with Deputy Warden Fraser Patterson in the Chair.

Present were:

District #1 – Paul MacNeil  
District #2 – Athol Grant  
District #4 – Merrill MacInnis  
District #5 – Fraser Patterson, Deputy Warden  
District #6 – Larry Dauphinee  
District #7 – Wayne Budge  
District #8 – Johnny Buchanan

Also present were:

Sandy Hudson, CAO  
Heather MacLean, Recording Secretary

Absent was:

District #3 – Bruce Morrison, Warden (Out of Town)

**CALL TO ORDER/APPROVAL OF AGENDA**

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

Two items to be added to the agenda included proposed municipal election legislation changes and the Strait Area Transit proposal.

**It was moved and seconded that the agenda be approved with the noted additions. Motion carried.**

**PRESENTATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

Courtesy of Council was extended to Michael Corkum and Ryan Armstrong, Grant Thornton LLP, who were in attendance to present the Draft Non-Consolidated Financial Statements; the Consolidated Financial Statements for the Municipality of the County of Victoria for the year ended March 31, 2015; the Victoria County Water Utility Financial Statements for

the year ended March 31, 2015, and their Report to Warden and Council with regard to the audit.

Deputy Warden Patterson welcomed the representatives and Council provided introductions. Both Mr. Corkum and Mr. Armstrong outlined their background in the field of municipal auditing.

Mr. Corkum indicated that Mr. Armstrong would be presenting the statements and would be focusing on the non-consolidated financial statements for the Municipality.

Mr. Armstrong reviewed the operating funding balance sheet with Council. The Statement of Operations indicated that the Municipality ended the year with a \$4,323.00 operating surplus, based on a total budget of \$12,031,549.00.

Taxes receivable were discussed. The tax receivable balance at the beginning of the year was \$2,340,207.00 and taxes levied for the year were \$8,147,933.00. Collections amounted to \$8,548,124.00, and with write offs, adjustments, exemptions and the valuation allowance, the balance owing at year end is \$1,888,812.00.

In terms of liabilities, the term loan was decreased from \$713,461.00 in 2014 to \$523,461.00 in 2015.

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

The Victoria County Water Utility financial statements for the year ended March 31, 2015, were reviewed. The deficit at the beginning of the year of \$1,631,741, coupled with the current year's deficit of \$170,990.00, indicates a accumulated deficit of \$1,802,731.00 as of March 31, 2015.

Mr. Corkum indicated that there are only two ways to decrease the deficit, by either increasing revenue or decreasing expenses. The requirement for another water rate study for the Utility was discussed.

The capital fund balance sheet was reviewed.

Mr. Armstrong briefly reviewed the consolidated financial statements for the year ended March 31, 2015. The consolidated statements include the Victoria County Water Utility, Highland Manor and Alderwood, along with the Municipality. The bulk of the numbers contained in the consolidated statements are nursing home driven. The statements indicate an accumulated surplus at year end March 31, 2015, of \$8,552,264.00.

Mr. Corkum indicated that from a debt perspective, the Municipality is handcuffed by loan agreements. There must remain a push to collect tax receivables and the budget must be looked at seriously.

Mr. Corkum then presented the Report to Warden and Council – communication of audit strategy and results for the year ended March 31, 2015.

Mr. Corkum indicated that there needs to be constant attention to tax receivables as it represents resources that the Municipality does not have available for its use in meeting ongoing obligations. He recommended that staff and Council continue to explore all collection options with legal representatives, along with resources from the Department of Municipal Affairs.

Mr. Corkum also recommended that a budget for the operations of the Victoria County Water Utility be prepared.

Mr. Corkum indicated that the liability for vacation days, sick days and days-in-lieu stands at approximately \$727,000.00 at year end. This represents a significant liability to the Municipality and one that under current policies represents a cash liability to the Municipality. He outlined the recommendations with regard to banked vacation and sick time.

**It was moved and seconded that the draft non-consolidated financial statements, draft Victoria County Water Utility financial statements and the consolidated financial statements for the Municipality of the County of Victoria for the year ended March 31, 2015, be accepted. Motion carried.**

After further discussion, Deputy Warden Patterson extended a thank you to Mr. Corkum and Mr. Armstrong for their presentation and they were excused at this time.

**RECESS**

Deputy Warden Patterson announced that Council would recess for 10 minutes.

**APPROVAL OF MINUTES – JUNE 29, 2015**

The minutes of the June 29, 2015, meeting of Victoria County Municipal Council were presented for approval.

**It was moved and seconded that the Victoria County Municipal Council minutes of June 29, 2015, be approved as presented. Motion carried.**

**BUSINESS ARISING FROM MINUTES**

**Victoria County Memorial Hospital**

Sandy Hudson advised that a letter was received from Mary Lou O'Neill, Executive Director of Operations, Nova Scotia Health Authority, thanking Council for the support offered (\$100,000.00 per year for two fiscal years) in establishing a Primary Health Care turn-key approach for the Victoria County Memorial Hospital. The Nova Scotia Health Authority will be moving towards a Memorandum of Understanding with the Municipality to reflect this partnership.

**Yetman Lane**

Sandy Hudson advised that he has no further information on the clarification of the road status of Yetman Lane, Little Narrows.

**Street Lighting Policy**

At the previous meeting, Councillor Dauphinee brought up a concern with regard to the Street Lighting Policy. At present, the policy allows for installation on public roads only.

Sandy Hudson presented the current Street Lighting Policy for review.

**It was moved and seconded that section #1 of the Street Lighting Policy be deleted. Motion carried.**

This will allow for the installation of street lights on private roads also.

**It was moved and seconded that the Street Lighting Policy be approved as amended. Motion carried.**

**Draft Sexual Harassment Policy and Workplace Harassment Discrimination Policy**

Comments were received from staff with regard to the Draft Sexual Harassment and Workplace Harassment Discrimination Policies. The CAO will work with staff to incorporate the comments in the final policy documents.

**Irving/Tim Hortons**

A meeting was held with representatives from Irving, Tim Hortons, Circle K, RCMP, Department of TIR and the Municipality with regard to the traffic situation at the Irving/Tim Hortons, on the TCH 105, Baddeck.

The Department of TIR will provide names of consultants who can undertake a Traffic Impact Study on this area,

**NEW BUSINESS**

**Proposed Municipal Election Legislation Changes**

Deputy Warden Patterson advised that he and Councillor Budge attended a meeting recently with regard to proposed municipal election legislation changes. One area they saw as a concern was the change of residency requirement.

Bernie White, former Municipal Clerk of the CBRM, has been appointed Municipal Elections Officer for the Province.

The proposed changes require more input and the plan is to do further consultation on the proposed changes with the municipalities.

**Strait Area Transit Proposal**

The proposal received from Strait Area Transit for providing coverage to the Baddeck area was discussed. Deputy Warden Patterson indicated he previously forwarded an email to Council with regard to this matter.

**It was moved and seconded that the Municipality partner with Strait Area Transit, in a pilot project to provide service to the Baddeck area, at a cost of \$5,000.00 per month. Motion carried.**

The service will be travelling to Baddeck area twice a day, five days per week.

**It was moved and seconded to approve \$5,000.00 for the first month of service to Strait Area Transit and monthly thereafter until this service is no longer required. Motion carried.**

**Bay St. Lawrence/St. Margaret's Village Water**

A letter was received from Aileen Waller-Hebb, Director, Grants and Programs, Department of Municipal Affairs, advising that the New Building Canada fund application for the Bay St. Lawrence/St. Margaret's Village Water Supply was not approved.

Discussion took place on this matter and the CAO will contact Aileen Waller-Hebb for further information on this matter.

**Peter Dan and Catherine Hughena MacKinnon**

Peter Dan and Catherine Hughena MacKinnon's residence located on Atlanta Avenue, Baddeck Bay, which they have resided on for approximately 40 years is located on property owned by the Municipality. The lot they own is adjacent to this lot. Their solicitor, Dan

Chiasson, is requesting that the Municipality sell the lot on which the house is located to the MacKinnons.

Sandy Hudson advised that the regulations contained in the *Municipal Government Act* will have to be followed and this land can be put for sale by tender. This does not prevent someone other than the MacKinnons from purchasing the property.

Councillor Grant questioned whether a land exchange could happen. Discussion took place.

**It was moved and seconded that the Municipality proceed with the wishes of the Peter Dan and Catherine Hughena MacKinnon and put the property up for sale by tender. Motion carried with Councillor Grant casting a dissenting vote.**

This matter will be referred to the Solicitor for action.

### **DISTRICT CONCERNS**

#### **District #6**

Councillor Dauphinee will check on the Rasmussen property matter and bring back to a future Council.

Councillor Dauphinee questioned when the hydrant would be installed in the area of the rink at Ingonish Beach. Sandy Hudson will check with Robert Dauphinee on the scheduling of this hydrant installation.

The condition of Roper's Bridge was discussed.

**It was moved and seconded that a letter be sent to Stephen MacDonald, Area Manager, DTIR, expressing concern on the condition of Roper's Bridge and questioning on the plans for this bridge. Motion carried.**

#### **District #7**

Councillor Budge questioned on the status of the water/sewer for the Neil's Harbour Enviro-Depot.

Sandy Hudson advised that they are awaiting an answer from the Department of Environment in this regard.

#### **District #8**

Councillor Buchanan questioned on the painting of the water tower at Dingwall. Sandy Hudson advised that an interior inspection of the tank will be done first and necessary work completed in the interior before the exterior will be investigated.

Councillor Buchanan indicated that a resident of his district is interested in purchasing the old pumphouse property at the Dingwall intersection.

**It was moved and seconded that this old pumphouse at Dingwall be declared surplus and put up for tender as long as there is no further use for the property. Motion carried.**

Councillor Buchanan requested that a certificate be forwarded in recognition of the 100<sup>th</sup> anniversary of St. Paul's Lighthouse.

**District #4**

Councillor MacInnis brought up the funding request from the N-ENS Snow Crab Association.

Sandy Hudson advised that he spoke to Greg Organ regarding the crab quota study for Fisheries Area 2022. There are 78 fishermen in this area – 45 of which are Victoria County fishermen. The request from the Municipality is the purchase of 33 tags to track the snow crab movement in the area at a cost of \$12,000.00. The tags are good for five years. Discussion took place.

**It was moved and seconded that the Municipality purchase 33 tags at \$360 per tag at a cost of \$12,000.00 from Ocean Tracking Network to assist the N-ENS Snow Crab Association with their monitoring program. Motion carried.**

Councillor MacInnis indicated that it was mentioned some time ago about Council members welcoming tourists at the VIC in Baddeck and he felt this is something that they should make an effort to do.

A schedule is to be arranged with the VIC staff for Council members to volunteer some time to talk with tourists.

**District #2**

The status of the Economic Development Officer for the Municipality was questioned. Sandy Hudson advised that interviews were conducted and an offer has been made to the successful candidate who will be an employee of the Cape Breton Partnership. It is anticipated the Economic Development Officer will be in place by September 1, 2015.

An update was provided on REN6 and Sandy Hudson indicated that the start up funding for the REN has been approved by all participating municipal units and funding should be received from the province today or tomorrow.

Victoria County's approved contribution for the PAN Cape Breton Food Hub Pilot Project is to be requisitioned and forwarded to the organization.

Councillor Grant brought up the matter of the Wilderness Protected Areas in Victoria County and whether the solicitor has reviewed the *Wilderness Areas Protection Act* and the proposed new protected areas to see if legal avenues are available.

The CAO indicated that the Solicitor advised that he is prepared to do a FOIPOP application, but this is expensive and takes a great deal of time. It was suggested that contact be made with the new Minister of DNR, Honourable Lloyd Hines, congratulating him on his appointment to the Executive Council and advising of our issues with regard to land exchange and protected areas and ask him to bring our concerns to the Minister of Environment.

**It was moved and seconded that a letter be forwarded to Honourable Lloyd Hines, Minister of DNR, congratulating him on his appointment and advising of our concerns with regard to land exchange and protected areas which we request he address with the Minister of Environment. Motion carried.**

Councillor Grant indicated that there is now cell phone coverage in the Middle River area and Council was advised that Bay St. Lawrence coverage should be up and running in the next couple of days.

**It was moved and seconded that a letter be forwarded to the Honourable Michel Samson and Pam Eyking, MLA, thanking for the provincial support for the cell phone coverage project in the Middle River and Bay St. Lawrence areas. Motion carried.**

Councillor Grant brought up the matter of the condition of the second bridge on the provincially maintained road in Humes River to the Keppoch Highlands.

**It was moved and seconded that a letter be forwarded to the Minister of DTIR and Stephen MacDonald, Area Manager, DTIR, requesting that the bridge at Humes River leading to the Keppoch Highlands be repaired. Motion carried.**

Councillor Grant indicated that the street light he requested some time ago to be located at the eastern entrance of the Polytech Window Factory has not been installed. A follow up with the Resolve Team will be undertaken.

**District #1**



Councillor MacNeil brought up the matter of a resident in Washabuck who has a graveyard on his property preventing him from doing anything with his property. He is concerned about the assessment of the property and missed the appeal date.

Councillor MacNeil questioned if there was anything the County could do to assist with this matter. He was advised that the resident should contact the Assessment Office to discuss his assessment.

**It was moved and seconded that a letter be forwarded to Darren Blunden, Area Manager, DTIR, requesting that the dirt roads be graded and the cutting take place along the roadsides in District #1. Motion carried.**

Councillor MacNeil indicated that the residents of his district remain concerned about the ferry rates. A Committee was to be established on the ferry rate issue to look at alternatives to the present ferry rates.

**It was moved and seconded that a letter be forwarded to the Minister of DTIR regarding the establishment of a Ferry Committee and alternatives to the present ferry rates. Motion carried.**

Councillor MacNeil again brought up the matter of access to water at Little Narrows. A meeting of the Water Committee will be held prior to the next Council meeting.

**It was moved and seconded that a letter be forwarded to the Washabuck Community Centre congratulating Washabuck on receiving the Lieutenant Governor's Spirit Award. Motion carried.**

**ADJOURN**

**There being no further business, it was moved and seconded that the meeting adjourn at 7:55 p.m.**

**Bruce Morrison, Warden**

**Sandy Hudson, CAO**