



RSC 12 Finance and Oversight Committee

Meeting of January 22, 2015– 650 Main Street, Woodstock

Attendance:

Jim Kennedy (Chair)
Elaine English
Brian Hayden
Arthur Slipp
Craig Melanson
Jo-Anne Lockhart (Executive Director)

Regrets:

Troy Stone

Call to Order: Meeting called to order at 6.25 p.m. by the Chair

Agenda: It was moved by Brian Hayden and seconded by Elaine English that the agenda be adopted.

Motion carried.

Approval of Minutes: With respect to the November 25, 2014 minutes, Brian Hayden asked if the following statement "It was decided we would wait to hear from Andrew Lehenan about a fee reduction with the intent to pay Lehenan by the end of December 2014" could be deleted as it was not relevant as there was no further discussion with Lenehan about a fee reduction. It was moved by Craig Melanson and seconded by Brian Hayden that the minutes of the November 25, 2014 Finance Committee be adopted with the omission.

Motion carried.

Conflict of Interest Declaration: None

Business Arising:

- **December 31, 2014 draft financial statements**
 - Jim Kennedy asked Jo-Anne Lockhart to present the December 31, 2014 financial statements. Jo-Anne Lockhart provided members with a Balance Sheet and Income Statement (actual to budget comparison) and notes on major variances. Jo-Anne Lockhart indicated the Commission's financial position was favourable with a surplus to date of \$99,124 and was not significantly different than projected at the December 17, 2014 RSC12 Board meeting. There were a few unanticipated additional expenses for legal fees and vacation accrual.
 - Craig Melanson stated he liked the financial presentation format with the variance analysis attached.



RSC 12 Finance and Oversight Committee

Meeting of January 22, 2015– 650 Main Street, Woodstock

- Art Slipp asked if the 2014 audit expense results are higher than anticipated because of Provincial requests that Jo-Anne Lockhart write a letter to the Province asking them to pay the additional expense.
- It was moved by Elaine English and seconded by Art Slipp that the December 31, 2014 financial statements be accepted.

Motion carried.

New Business:

○ **Transfer Station Contract**

- Stuart Kinney of Goodine Kinney arrived at 6.50 p.m. to discuss with the members changes to the Land Transfer Station contract which was renewable on January 1, 2015.
- Jo-Anne Lockhart explained the steps taken to date on the re-write of the contract and informed the members Bellis and RSC12 agreed to an extension of the existing contract to January 30, 2015 in order to complete work on the new contract.
- Stuart Kinney offered his legal opinion that the contract was complex given the legislative mandate of the Commission had changed when Solid Valley Waste was taken over by Regional Service Commission 12. Stuart Kinney indicated he wanted to ensure the Commission was operating within its legal limits and obtaining the best value for its citizens.
- On January 20, 2015 Jo-Anne Lockhart, Joan Kennedy and Katie Hayden reviewed the draft contract and offered some suggestions. Stuart Kinney then met with Jo-Anne Lockhart and Joan Kennedy on January 21, 2015 to review the draft contract and staff's suggestions. There were a number of issues which arose during this meeting of which Stuart was unclear and he asked for some documents to help clarify the situation; these were forwarded to him. Stuart Kinney stated he was much clearer on the position of the Commission and its contract once he received the documents he requested.
- Stuart indicated fifteen years was a long time for a contract and may not be in the best interests of the Commission given the changing landscape of waste management in the Province of New Brunswick. Jim Kennedy informed Stuart Kinney a consultant was hired to determine the options available to the Commission and the consultant's suggestion was a fifteen year contract.



RSC 12 Finance and Oversight Committee

Meeting of January 22, 2015– 650 Main Street, Woodstock

- Stuart outlined the risks to the Commission of dealing with a private contractor and suggested the Commission might want to mitigate those risks through the contract.
- There were questions about the waste disposal split between North West and South West landfills. Brian Hayden informed the split was mandated under the direction of the Minister of the Environment and Local Government of the day, Joan Kingston. There was significant discussion around the future of waste management options within the Province and the possibility of the Commission being responsible for collection, processing and disposal. Jim Kennedy pointed out South West would likely go out of business if they did not receive RSC12's waste. Brian Hayden suggested and Jim Kennedy agreed the Commission needs to consider other options, such as "waste-to-energy" solutions.
- Art Slipp asked Stuart Kinney if he had talked to Bellis about the contract and Stuart Kinney replied he had never spoken to Bellis, even when the Recycling contract was written. Peter Morin apparently had his accountant review the contract and signed it without legal advice. Art Slipp directed Stuart Kinney and Jo-Anne Lockhart to meet with Bellis to discuss a two-month extension to the contract.
- Stuart Kinney indicated this was a very tenuous situation and the Commission should consider what would happen if a private contractor goes out of business and the Commission is responsible.
- Jo-Anne Lockhart mentioned one of Peter Morin's concerns is the timely approval of capital financing from a bank to improve his business. Stuart Kinney indicated there might be other options such as the Commission lending Bellis the money and recovering the funding through lower fees over a number of years. Brian Hayden pointed out RSC12 has money in the reserves and asked if RSC12 could use these funds for this purpose. Stuart Kinney pointed out RSC12 would have limited exposure in such a financial arrangement. Brian Hayden stated RSC12 would need a guarantee. Stuart Kinney stated the Commission needs to find out Bellis' financing needs. It was directed that Jo-Anne Lockhart would contact Peter Morin to find out his thoughts on a Commission loan.
- It was moved by Jim Kennedy and seconded by Art Slipp that Jo-Anne Lockhart and Stuart Kinney obtain a further two month extension, at the current rates, for the existing contract.

Motion carried.

- It was moved by Art Slipp and seconded by Craig Melanson that a one page discussion paper be prepared for presentation to the Minister of the



RSC 12 Finance and Oversight Committee

Meeting of January 22, 2015– 650 Main Street, Woodstock

Environment and Local Government on whether the Commission has the authority to seek the best deal for its citizens.

Motion carried.

- Stuart Kinney thanked the Committee for their business and left the meeting at 7.45 p.m.

- **2014 Strategic Plan**
 - Jo-Anne Lockhart handed out a Strategic Plan summary identifying the status of the objectives at the end of 2014. Jim Kennedy indicated the Strategic Plan should be reviewed every year.

- **2015 ETF**
 - Jo-Anne Lockhart informed two Environmental Trust Fund applications were submitted on January 16 for a total of \$45,000; however, the receipt of these funds is not guaranteed. The funds are primarily for waste hazard days and the school paper recycling programme.

- **2015 Meeting Schedule**
 - Jo-Anne Lockhart passed out the tentative meeting schedule for all committees and asked for feedback. No changes recommended.

- **Charitable Donations**
 - Jo-Anne Lockhart stated she was receiving a number of requests for donations and needed guidance on what charities to support. The general consensus was ads in magazines are not effective and only charities within our Region which are connected to our programmes (such as Recycling) should be considered.

- **Emergency Measures Office (EMO)**
 - Brian Hayden raised a question about purchasing generators for communities to use in emergencies and who pays for them. An observation was made, and agreed to, there are no boundaries when it comes to emergencies because everyone works together, but the question still remains who pays. Elaine English stated the Village of Canterbury and the Canterbury LSD shared funding based on tax assessment and population for a \$35,000 generator.

- **Recreation**
 - Jo-Anne Lockhart informed the committee there is \$54,000 in funds available from the Province for recreation activities; RSC12 budgeted



RSC 12 Finance and Oversight Committee

Meeting of January 22, 2015– 650 Main Street, Woodstock

\$18,600 for 2015 activities. Art Slipp indicated there is \$6,000 in the Woodstock budget. Jo-Anne Lockhart mentioned it was her understanding these funds could be used to hire an additional staff person for these activities. It is Brian Hayden's and Art Slipp's understanding the funds are not for staffing, but for planning and facilities mapping.

- Brian Hayden pointed out all of the LSD's have completed their recreational surveys. Brian Hayden has been in contract with Kent Kuhn to set up a Recreation committee meeting.
- Jo-Anne Lockhart informed the deadline for application for the funds is March 31, 2015 and a detailed plan is to be part of the application.

o **Committee Nominations**

- Discussion regarding the addition of new committee members to be determined at the January 27, 2015 (re-booked to February 3, 2015 due to weather) Board meeting. Recommendations were:

1) Finance:

- a) replacement for Leigh Williams; the person should be an LSD member
- b) an additional member who should be a mayor

2) Solid Waste:

- a) replacement for Murray Grant
- b) could also use more members

3) Policing: replacement for Ron Brown

4) PRAC:

- a) replacement for Mark Atwater
- b) Alan McLaughlin although no longer a Board member can still be a PRAC member.

5) Recreation: Brian Hayden mentioned the Recreation committee want equal representation from municipalities / towns and LSDs.

- Brian Hayden pointed out only one PRAC member has to be a Board member; others can be from the public. It was generally agreed each municipality should have a member on the RSC12 PRAC committee.
- A question was raised about what the term for a PRAC member was.



RSC 12 Finance and Oversight Committee

Meeting of January 22, 2015– 650 Main Street, Woodstock

- Jo-Anne Lockhart was asked to request this information from Katie Hayden, RSC12 Planning Director. *In response to the request, the PRAC by-law states "The regular term of office for members of the Planning Review and Adjustment Committee shall be four years" and "PRAC committee members may be reappointed for one additional four-year term following their initial appointment".* Due to the timing of the first appointments, the replacements are staggered with three members being replaced January 2015 and three in July 2016.
 - Craig Melanson reminded the committee it is important to include members from the northern part of the Region on the committees and asked if there should be a Board member on every committee and at least one Executive member on every committee.
 - Finance and Oversight should be one committee and Jim Kennedy indicated the by-law could be changed.
 - There was general discussion about the PRAC amendment to be discussed at the January 27, 2015 (re-booked to February 3, 2015 due to weather) Board meeting. Views were expressed a resident seeking a ruling has a right to hear objections and the related reasons. If there is a conflict it should be declared. Jim Kennedy has discussed the issue with Deputy Minister of the Environment and Local Government Rob Kelly.
- **January 13-14 2015 Executive Directors' Meeting Update**
- Jo-Anne Lockhart gave a summary of the Regional Executive Directors' meeting held in Fredericton, highlighting:
 - a) Provincial Update from Rob Kelly:
 - Official Language Act funds available; receipts should be submitted by March 31, 2015
 - New National Building Code was effective January 1, 2015
 - Economic Development does not replace Opportunities NB
 - Modernization of Municipal Act and Community Planning Act
 - Need a framework for Regional Planning and to know the end state
 - b) Regional Development – presentation from L'Association Francophone Des Municipalites du Nouveau Brunswick re their study to establish economic development - Mike McKendy is



RSC 12 Finance and Oversight Committee

Meeting of January 22, 2015– 650 Main Street, Woodstock

- Anglophone contact. Study group will contact each Anglophone region before March to set up a public forum
- c) Video Conferencing – Don Fitzgerald, Region 10 would like to share costs of a “GO TO Meeting” site
 - d) Waste Management Strategy – study group will contact Regions in 2015 to obtain information
 - e) WorkSafe NB – Wilson Bell, Region 8, informed the group there is no chance of an appeal for the firefighters or for the Local Government rate increases
 - f) Recreation – funding available for 5 regions, including RSC12 - \$54,000; must have plan submitted by March 31, 2015
 - g) Chairs’ Meeting – Chairs and Executive Directors met with Environment and Local Government Minister Brian Kenny. Major focus was on economic development.
- Brian Hayden asked if RSC12 should forward their ideas to Minister Kenny. Brian Hayden indicated there are other avenues to increase tax assessment in the LSDs under Recreation.

In Camera Session: (Moved to In Camera at 6.35 p.m.; adjourned at 6.50 p.m.; re-convened at 7.45 p.m., adjourned at 8.05 p.m.)

It was moved by Jim Kennedy to adjourn the meeting at 8.55 p.m.


X
Jim Kennedy, Chair