

## SPECIAL COMMITTEE OF THE WHOLE

Tuesday, July 9, 2024, at 6:00 pm

A Special meeting of the Committee of the Whole of Middleton Town Council was held in person, via ZOOM and on Facebook Live on Tuesday, July 9, 2024.

### PRESENT

Chairing the meeting, Mayor Sylvester Atkinson; Deputy Mayor Gail Smith; Councillors Michael Fairn, Bernadette Knapp, John Bartlett, Chad LeBlanc and Gary Marshall; Chief Administrative Officer, Ashley Crocker; Director of Recreation and Community Development, Andy Kerr; Director of Public Works Adam Verran; and Recording Secretary, Sara Marceau.

Also in attendance: Karen Kluska, Contract Accountant for the Town of Middleton, John Smith, Chair of the Accessibility Committee, Jodi Goudey, Tara Balcome, Sandra Fournier, Patricia Leslie, and four (4) citizens.

#### 1. CALL TO ORDER

Mayor Atkinson called the meeting to order at 5:59 p.m.

#### 2. APPROVAL OF THE AGENDA

**240709.01:** It was moved and seconded to approve the agenda, as circulated. **Motion carried.**

#### 3. PRESENTATION

##### 3.1 Overview of 2024-2025 Draft Operating and Capital Budgets

The 2024-2025 Draft Operating and Capital Budgets have been circulated to all Committee members.

CAO Crocker provided an overview of the budget process, highlighting the following key points:

- Some projects have been removed, including the website design and the Community Center Fire Hall.
- The 5-Year Capital Plan and its impact on Financial Condition Indicators (FCIs)
- The budget's effect on Town reserves
- Various budget options
- Removing the 2-cent increase to the residential and commercial rates would result in a deficit of \$28,103 for the Town.

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Alternatives to address the deficit:

- Reduce grants
- Utilize funds from prior years
- Town General Operating Budget

Summary of Expenses:

- Wages
  - RCMP
  - Education (mandated service)
  - Hydrant Rentals (offset)
  - Principal and Interest on long-term debt
  - Fire Department (mandated service)
  - Road Work (line painting, tree removal)
  - Utilities
  - Valley Waste
  - Repairs and Maintenance (safety inspections for public works vehicles, elevator lift)
  - Professional Services (engineer, audit)
  - Planning (GIS, building & fire protection)
  - Technical Equipment (accounting program, Office 365, licenses)
  - Insurance
  - Public Works Facilities
  - Council Salaries
  - Recreation Programs (offset by grants and program revenue)
  - Training
  - Grants to Organizations
  - Advertising
  - Office Supplies
  - Tax Exemptions (per legislation and policies)
  - Parks Maintenance
  - Assessments
  - Public Transit
  - Janitorial
  - Election
  - Valley REN
  - Rink (water and sewer)
  - Annapolis REMO
  - Bank Charges
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- Councillor LeBlanc inquired about the potential sale of properties.
  
  - Councillor Fairn mentioned that the Town should consider partnering with the Nova Scotia Community College to use their space, noting that there are vacant rental buildings available in the area.
  
  - Councillor LeBlanc also asked for clarification on "office supplies" and what discretion is involved in that category.

### **3.2 Discussion of Potential Cost Reductions**

- Small reductions in phone expenses for Public Works
- Replacement of overhead and man doors in Public Works
- Review of the Staff Training Budget
- Contractor expenses to be reviewed at the end of August.

Councillor Marshall stated that the new breakdown is much easier to read and requested that it be made available online.

### **3.3 Public Input**

- Richard Green – Rink: New board members are working on improvements. He requested \$20,000 in addition to the \$80,000 grant received, citing a \$65,000 deficit and the need to cover directors' liability. He mentioned that help from the Town and the County will be necessary.
- John Smith – Soldiers Memorial Hospital: Expressed concern about the lack of contribution and its implications for the County and staff.
- John Smith – Accessibility Advisory Committee: Highlighted the commitment to the accessibility plan, noting that by not providing funding this year, the Town risks failing to meet the 2030 mandate. He mentioned the Committee is exploring collaboration with the County.
- Brian Connel – Expressed disappointment over the tax increase. He noted that \$80,000 was allocated but requested a report as the total presented did not match the amount given. He clarified that the \$80,000 was intended for recreation, not general capital.
- Tara Balcome – Facilities: Suggested finding cost-effective ways to operate, emphasizing the economic value of the arena and pool in generating revenue and supporting local businesses.
- Councillor Fairn – Requested CAO Crocker to provide a breakdown of the \$80,000 recreation grant from the County.
- CAO Crocker – Provided an overview of how the \$80,000 grant was allocated to recreation.
- Tara Balcome – Raised concerns about misunderstandings regarding funding requests for pools and arenas, noting that these are often run by volunteers.
- Councillor Fairn – Noted that the cost of running the facility is \$400,000 and the \$80,000 grant from the County is insufficient, suggesting that the County of Annapolis is underfunding.
- John Smith – Suggested that a \$5,000 contribution would be better than none for accessibility improvements.

### **3.4 Budget Deliberations**

- Deputy Mayor Smith – Expressed concern about the current path, suggesting that the Town may face a choice between raising taxes or cutting services.
- CAO Crocker – Noted that discussions have included providing in-kind support, such as for the rink and snow clearing, to help manage costs.

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- Councillor Marshall – Inquired about the possibility of reducing staff to address the mismatch between revenue and expenses. He asked if there might be an opportunity to eliminate a staff position to align with the Town's financial situation.
- CAO Crocker – Confirmed that a part-time role had already been eliminated and that the remaining staff are handling increased workloads, particularly due to additional demands from the province. They agreed that a review of staffing levels could be revisited to explore further reductions if necessary.
- Councillor Bartlett expressed concerns about surprises related to MABA and suggested that the situation needs to be reviewed. Although progress is being made, there has been limited engagement so far.
- Councillor Marshall: Proposed reallocating funds initially intended for the HOV Festival, which is operated by volunteers. He suggested reducing the allocation from \$7,000 to \$4,500 and cutting MABA's funding from \$3,500 to \$1,000. This would provide initial funding for Soldiers' Memorial.
- A question was asked if we need to allocate the full \$3,500 to MABA?
- There is no formal budget for the HOV Festival, but an estimate has been provided.

**3.5 Direction to Staff on Budget Changes**

- CAO Crocker – Requested direction from the Council on various budget matters.
- Councillor Bartlett: Suggested not providing funding to MABA. Proposed allocating a legacy amount to the Biosphere Organization for land protection. Mentioned that there could be a \$5,000 request for accessibility.
- Councillor Marshall: Proposed eliminating a staff position, reallocating the funds to reserves, and implementing a 1% tax increase.
- Councillor Fair: Advocated for a 2% tax increase, emphasizing the need to save more despite the reluctance to raise taxes. Noted that promoting growth is crucial as existing residents continue to bear the financial burden of no growth. CAO Crocker agreed to provide a more detailed analysis and stressed the importance of increasing reserves.
- Councillor Marshall: Expressed support for growth and noted that recent changes have opened opportunities.
- Councillor Bartlett: Mentioned buying houses and discussed realtors' involvement in informing the public.
- There was a discussion on raising taxes by 2% and comparing the impact. A decision was made to adjust the Heart of the Valley budget accordingly.

**3.6 Discussion of Next Meeting Date** – another discussion at the July 15th meeting.

**4. ADJOURNMENT**

**240709.02: It was moved and seconded to adjourn the meeting at 7:53 p.m. Motion carried.**

  
MAYOR

  
RECORDING SECRETARY