

**Municipality of Trinity Bay North
Regular Council Meeting February 21, 2023**

**Minutes of a regular meeting of the Council of the
Municipality of Trinity Bay North, held in the
Town Hall, February 21, 2023**

<i>Members Present</i>	Mayor	David Bartlett
	Deputy Mayor	Dean Lodge
	Councillors	Albert Johnson
		Doreen Rumbolt
		Pauline Stagg
		Terence Stead
		Jane Tucker
 <i>Also Present</i>	 Town Clerk	 Valerie Rogers
	Town Manager	Darryl Johnson

CALL TO ORDER

A quorum being present Mayor Bartlett called the meeting to order at 5:00p.m.

ADOPTION OF AGENDA

Motion #2023-02-21-5992 – Stead/Stagg

Be it resolved the agenda be adopted as presented.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

ADOPTION OF MINUTES

Regular Meeting of January 31, 2023

Mayor Bartlett asked if there were any errors or omissions in the minutes of the regular meeting of January 31, 2023, which had been circulated with the agenda.

- On page 2 place Councillor Tucker as arriving after motion #2023-01-31-5955
- Motion #2023-01-31-5953 – replace the word “me with “we”
- Motion #2023-01-31-5966 – add the word “Coaker”

Motion #2023-02-21-5993 – Lodge/Rumbolt

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Be it resolved the minutes of January 31, 2023 regular meeting of council be adopted with the above corrections.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

Special Meeting of February 7, 2023

Mayor Bartlett asked if there were any errors or omissions in the minutes of the special meeting of February 7, 2023, which had been circulated with the agenda.

Motion #2023-02-21-5994 – Stead/Lodge

Be it resolved the minutes of the February 7, 2023 special meeting of council be adopted as presented.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

BUSINESS ARISING FROM MINUTES

Action reported updated.

TOWN CLERK'S REPORT

Bills

The Town Clerk presented the bills for payment in the amount of \$36,907.95 and opened the floor for any questions.

Motion #2023-02-21-5995 – Stead/Lodge

Be it resolved the bills submitted for payment in the amount of \$36,907.95 be approved for payment.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

2010 International Dump Truck

Motion #2023-02-21-5996 – Stead/Lodge

Be it resolved the funding from the sale of the 2010 International Dump Truck be applied to the 2023/2027 capital expenditure plan as presented in the 2023 operational budget proposal.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

TOWN MANAGER'S REPORT

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The Town Manager provided a written report with the following topics to be discussed:

- CEEP – completed (final report to be completed and submitted to MAPA)
- 2023 Budget
- PU Historic Water and Sewer Project – met with stakeholders
- Lottery License Recreation – license arrived late requesting a later draw date
- Manuel’s Island – met with EDC on scope of work and draft tender documents
- JCP Application – still working on the application
- Public Works meeting – requesting a letter of approval from the Union for student or contractor to do the grass cutting and brush cutting throughout the town.
- ICIP

Motion #2023-02-21-5997 – Stead/Lodge

Be it resolved the Acting Town Clerk provide an e-copy of the CEEP completion report for council review before the next council meeting.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

Building Age Friendly Grant

Motion #2023-02-21-5998 – Stead/Lodge

Be it resolved the Town Manager complete a Building Age Friendly Communities Grant application for Public Works and Finance Committee’s review by February 28, 2023.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

FINANCE

Minutes of a meeting held on February 16th, 2023 were enclosed for council’s perusal with a summary of assessments of forecasted municipal financial position 2023 included.

Motion #2023-02-21-5999 – Stead/Lodge

Be it resolved that the Finance Committee’s recommendation from its Summary of Financial Assessment briefing note be implemented as presented in the February 21, 2023 council meeting agenda.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

2021 Audit

VR WB

The 2021 Financial Statement was enclosed for council's acceptance.

Motion #2023-02-21-6000 – Johnson/Rumbolt

Be it resolved we accept the 2021 financial statement prepared by Beacon Accounting Professional Corporation.

In favour 5 {Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg & Tucker} 2 Opposed {Mayor Bartlett & Councillor Stead} 0; Motion Carried

Motion #2023-02-21-6001 – Stagg/Johnson

Be it resolved once we receive the final 2021 financial statement from Beacon Accounting Professional Corporation a letter of termination be sent to them with an explanation and back up of the reasons why we no longer want their services.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

PUBLIC WORKS/WATER RESOURCES

Minutes of a Public Works Committee meeting held on February 8, 2023 were enclosed for council's perusal.

Motion #2023-02-21-6002 – Lodge/Stead

Be it resolved we write other towns on the Peninsula to see if there is an interest in having a Regional meeting.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

Also enclosed was a briefing of the Historic District area stakeholders meeting regarding the project. Before any discussion Councillor Tucker declared herself in a possible perceived conflict of interest due to her partner Mike Flaherty having a seat on the Coaker Foundation board. She departed the meeting at 6:47p.m.

Motion #2023-02-21-6003 – Lodge/Rumbolt

Be it resolved we request in the tender for the construction phase of the Historic District Water/Sewer project start after Labour Day unless there are increased costs or delays.

In favour 6 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg & Stead} Opposed 0; Motion Carried

Councillor Tucker returned to the meeting at 6:49p.m.

Nothing to report from the Water Resources Committee.

Handwritten initials: KB

RECREATION - PARKS/PLAYGROUNDS/TRAILS

Notes of a Recreation meeting held on February 6th and 13th, 2023 were enclosed for council's perusal.

Nothing to report from the Trails Committee.

FIRE DEPARTMENT

An email was added to the agenda from Mayor Bartlett as the liaison regarding assets on hand at the fire hall and the fire truck application.

TIDY TOWNS

Nothing to report.

TOURISM/ECONOMIC DEVELOPMENT/LANDS

Nothing to report.

HEALTH

Minutes of a meeting held on February 9, 2023 were enclosed for council's perusal. Also enclosed were the minutes from the Community Transportation Ad Hoc Committee of their meeting held on February 23, 2023.

HUMAN RESOURCES

Minutes of a meeting held on February 13, 2023 were enclosed for council's perusal.

Code of Conduct

Motion #2023-02-21-6004 – Lodge/Johnson

Be it resolved we adopt the Code of Conduct templates provided by the Department of Municipal and Provincial Affairs for councillors and for staff to become the Municipality of Trinity Bay North's Code of Conduct.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

Job Description – Town Foreman & Maintenance Staff

Motion #2023-02-21-6005 – Stead/Lodge

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Be it resolved the Town Manager draft a job description for the Town Foreman and maintenance team by March 30th for the Human Resources and the Finance Committee's review.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

Job Description – Acting Town Clerk

Motion #2023-02-21-6006 – Stead/Lodge

Be it resolved the Town Clerk draft an updated job description for the Acting Town Clerk's position described in motion #2023-02-07-5987 for the Human Resources and the Finance Committee's review.

In favour 7 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Johnson, Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

LIAISON REPORTS

Sir William F. Coaker Heritage Foundation

Nothing to report.

Wharf Committee

Nothing to report.

Peaches Cove-Green Bay Development Inc.

Minutes of a meeting held on February 8, 2023 were enclosed for council's perusal. Also, a letter was received requesting the town's assistance with finding a provider liability insurance and covering the cost to have this insurance coverage put in place.

Councillor Johnson departed the meeting at 7:17p.m.

Motion #2023-02-21-6007 – Stead/Lodge

Be it resolved the Peaches Cove-Green Bay Development Inc's letter requesting the town cover their insurance, be included as part of Councillor Rumbolt's insurance plan review and her recommendations be submitted for council review by March 15, 2023.

In favour 4 {Deputy Mayor Lodge, Councillors Rumbolt, Stagg & Stead} Opposed 2 {Mayor Bartlett & Councillor Tucker}; Motion Carried

Mayor Bartlett stepped out of the chair at 7:22p.m. and Councillor Lodge assumed the chair.

Motion #2023-02-21-6008 – Bartlett/Stead

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Be it resolved we respond to the letter received from the Peaches-Cove Green Bay Development Inc. advising that council will not cover the cost of insurance for an incorporated body.

In favour 6 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

Mayor Bartlett resumed the chair at 7:24p.m.

Motion #2023-02-21-6009 – Stead/Stagg

Be it resolved that council support the Peaches Cove-Green Bay Development Inc.'s intent to submit a JCP application to install water and sewer to the Melrose Chalet at no cost to the town.

In favour 5 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Rumbolt, Stagg & Stead} Opposed 1 {Councillor Tucker}; Motion Carried

Bonavista Peninsula Branch Line Association

Nothing to report.

Hike Discovery

Nothing to report.

Discovery Geopark

Nothing to report.

Crime Prevention

Nothing to report.

TBN Historic Society

AGM is scheduled for March 7, 2023.

CORRESPONDENCE

1. An invitation was received from the Canadian Public Works Association to attend their Spring Conference in Clarendville from May 10-12, 2023.

Motion #2023-02-21-6010 – Stagg/Stead

Be it resolved upon the recommendation of the Town Manager we send one maintenance crew to the CPWA's Spring Conference being held in Clarendville from May 10-12, 2023.

In favour 6 {Mayor Bartlett, Deputy Mayor Lodge, Councillors Rumbolt, Stagg, Stead & Tucker} Opposed 0; Motion Carried

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2. A circular was received from the Department of Municipal and Provincial Affairs as a reminder that councillors and chief administrator officials shall complete mandatory orientation training within one year of the Municipal Conduct Act coming into force (September 1, 2023) or 60 days of being sworn or affirmed into office. As per section 21 (3) of the Act, a councillor or chief administrative officer who does not attend the orientation training within the time period prescribed shall not carry out a power, duty or function as a councillor or chief administrative officer until the training has been completed.

3. An email was received from Sandy Hounsell advising that he offers the mandatory training for the Code of Conduct which involves 5 modules.

NEW BUSINESS

None

NOTICES OF MOTION

None

ADJOURNMENT

Motion #2023-02-21-6011 – Stead

Be it resolved that council now adjourn to meet again on Tuesday, March 14, 2023.

The meeting adjourned at 7:33p.m.



DAVID BARTLETT
MAYOR



VALERIE ROGERS
TOWN CLERK

17 February 2023

Trinity Bay North (TBN)
Municipal Council

SUMMARY OF ASSESSMENTS OF FORECASTED MUNICIPAL FINANCIAL POSITION FOR 2023

ISSUE

1. This briefing note is intended to provide a summary of detailed briefings provided to Council in January/March of 2022 and January/February of 2023 in order to:
 - a. highlight and emphasize the Financial (Fin) Committee assessment that a state of Deficit Spending has existed since 2021, and it will result in a significant deficit in 2024 w/o change to fin practice, &
 - b. to provide a recommended Fin Management Statement for 2023/24 that would ensure clear direction for Council/Staff and ultimately be included as part of a mayor's public statement.

BACKGROUND

2. In Jan and Feb 2023, the Fin Committee provided Council a comprehensive evaluation of it's 2022 fin activity with an end year fin status and an in-depth forecast of the 2023/2024 Operational budgets.
3. The deductions, conclusions and recommendations provided below are based on a thorough study of 6 years of Town Financial Statements, End Year Variance reports, Municipal affairs fin review letters/evaluations and a comparison of town procurements to requirements directed in the NL Procurement Act.

DISCUSSION

4. Financial briefings provided the following deductions to Council:
 - a. despite meeting MA standards, previous fin forecasting methods were inaccurate & unreliable,
 - b. after much research and evaluation of fin management practices, the Fin committee implemented a revised budgeting process combined with proposals for updated fin management techniques,
 - c. new financial assessment/forecasting methods implemented by the Fin committee are proven accurate/reliable. The 3-year deficit forecasted in 2021 is confirmed,
 - d. a 380K surplus was carried forward from 2022. 150K was recommended as an Op balance/float. Only 80K could be maintained, leaving no surplus for 2024 or long-term financial planning,
 - e. variance reports show that fin allocations continue to be overspent w/o re-allocation to prevent over expenditures, indicating a lack of expenditure oversight,
 - f. despite recommendations to address a future deficit in 2021, expenditures increased in 2022. Only immediate Council and Staff action will avoid a significant deficit in 2024.
 - g. the table below shows significant increases in annual Town Operating cost. Expenditures go beyond incoming revenues in 2021 (Deficit Spending) and continue to increase up to 2023:

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Operational costs up \$479,040 or approx. 36.6% in 5 years:								
2018	\$1,309,973		2019	\$1,404,855	UP - \$94,882	2020	\$1,459,505	UP \$54,649
2021	\$1,621,643	UP - \$162,137	2022	\$1,735,133	UP - \$113,490	2023	\$1,789,013	UP - \$53,880
Local Revenue estimates up \$223,029 or approx. 15.5% in 5 years, but uncollectable taxes up annually:								
2018	\$1,437,016		2019	\$1,541,821	UP - \$104,805	2020	\$1,569,285	UP \$27,464
2021	\$1,616,846	UP - \$47,561	2022	\$1,615,026	Down - \$1,820.22	2023	\$1,660,045	UP - \$45,019

- h. If there was no surplus available from 2022, it would have taken a Mil Rate increase to 14.5 to cover costs for the 2023 budget, and
- i. Without a decrease in spending or increase in revenue collections before Dec 2023 it will take a Mil Rate increase up to a minimum of 12.5 or 13.5 for the 2024 budget.

CONCLUSION

- 5. TBN has been in a Deficit Spending situation since 2021.
- 6. If the budget is followed, there is enough funding for 2023. While we are fortunate to have this year to prevent a deficit in 2024, there is concern that the lack of action taken last year to reduce costs will be repeated.
- 7. With this in mind the Fin Committee cautions that sticking to current budget management practices or a failure to encourage, develop and implement new innovative ideas, will certainly result in a 2024 deficit. Our recommendations from January 2022 remain unchanged with the following addition.
 - a. Formally implement and publish the fol Fin Management Statement: “Council’s intent is to”:
 - i. immediately restrict any additional (non-essential) expenditures that would increase operational expenses in the 2024 or future budgets,
 - ii. implement change to Town Ops nec to minimize any future Mil Rate increase through 2024/27,
 - iii. increase revenue thru:
 - 1. completion of a comprehensive review of revenue collection practices,
 - 2. increase staff effort at revenue collections, &
 - 3. develop incentives to increase business & population growth.
 - iv. decrease operational spending in combination with revenue increases to total a min of 150K by:
 - 1. strict adherence to the Procurement Act,
 - 2. divestment of under-utilized, or unnecessary infrastructure and equipment,
 - 3. re-evaluation and reduction of large service costs wherever possible, &
 - 4. maximizing the use of higher government opportunity funding and grants.

Financial Committee
Municipality of TBN

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