



MINUTES

Town of Lunenburg Special Council Meeting

Tuesday, June 7, 2022
Council Chamber

PRESENT: Mayor Matt Risser
Deputy Mayor Peter Mosher
Councillor Jenni Birtles
Councillor Stephen Ernst
Councillor Susan Sanford

ALSO PRESENT: Lisa Dagley, CPA, CGA, Finance Director
Trevor Hume, Planning Technician
Kevin Malloy, Interim CAO
Heather McCallum, Assistant Municipal Clerk

ABSENT: Councillor Melissa Duggan
Councillor Ed Halverson

1. Call to Order

The Mayor called the meeting to order at 6:08 p.m.

2. Acknowledgement of Mi'kma'ki the Ancestral and Unceded Territory of the Mi'kmaq People

The Mayor recognized Lunenburg's location on the unceded territory of the Mi'kmaq people.

3. Agenda

Motion: moved and seconded approval of the agenda. Motion carried.

4. Minutes (Nil)

5. Public Hearings, Presentations and Questions (Nil)

6. Correspondence, Petitions and Proclamations Consideration (Nil)

7. Business Arising from the Minutes/Unfinished Business (Nil)

8. Committee Meeting Minutes, Recommendations, Reports and Notices of Motion

- a. Committee of the Whole meeting of June 7, 2022

The Mayor introduced the topic discussed at the meeting earlier this evening ([Schedule A](#)).

Motion: moved and seconded to approve the draft survey responses as amended and that they be forwarded as the Town's response to NSFMR by the June 13, 2022 survey deadline (Schedule A). Motion carried.

9. New Business

a. Introduction of new Town Engineer

The Mayor introduced Tyson Joyce as the new Town Engineer. This role is also the statutory authority for traffic.

Motion: moved and seconded to appoint Tyson Joyce, Town Engineer, as Traffic Authority for the Town of Lunenburg. Motion carried.

b. Appointment of Acting Chief Administrative Officer (CAO)

The Mayor noted that Kevin Malloy's last day as Interim CAO is June 10, 2022 and that the first day for the new permanent CAO, Jamie Doyle, is July 4, 2022.

Motion: moved and seconded to appoint Lisa Dagley as Acting CAO from June 11-July 3, 2022. Motion carried.

10. Meet in camera (Nil)

11. Resumption of Council meeting in public session (Nil)

12. Adjournment

The meeting was adjourned at 6:11 p.m. by the Mayor.

Kevin Malloy, Interim CAO

Meeting: COW June 7,2022

M E M O R A N D U M

TO: TOWN COUNCIL

FROM: KEVIN MALLOY, INTERIM CAO

DATE: MAY 31, 2022

**RE: MEMBERSHIP SURVEY TO SUPPORT THE SERVICE EXCHANGE
NEGOTIATION AND MGA REVIEW COMMITTEE**

1. FACTS

Early in 2022 Nova Scotia Federation of Municipalities (NSFM) struck the Service Exchange Renegotiation and Municipal Government Act Review (SERMGAR) committee. The committee's mandate is to provide an organizing hub for NSFM's involvement in both the Service Exchange renegotiation and MGA review.

The SERMGAR committee believes it would be beneficial to development a clear understanding of the issues that municipalities want the province to address through these processes. To this end, the SERMGAR committee has developed a membership survey to be answered by municipal councils. The SERMGAR committee intends to utilize this survey as a means of ascertaining the official position of our council on issues of significance. Responses are requested by June 13, 2022.

The survey includes twenty questions and is organized into four sections. The first section focuses on service exchange, the second section focuses on the MGA/HRM Charter, and the third section focuses on municipal revenue. The survey ends with questions about special consideration that our municipality requires and provides space for final comment.

Responses will inform the committee's responses to proposals from the Department of Municipal Affairs and Housing (DMAH) and will be reported in aggregate form. Information that identifies specific municipalities will not be released.

2. ISSUES AND OPTIONS ANALYSIS

Survey Questions:

Q1: What is the name of your municipality?

Response

Town of Lunenburg

Questions related to the Service Exchange Agreement Renegotiation

In 1994, the Provincial-Municipal Service Exchange Agreement reallocated responsibilities and restructured the fiscal framework. The objectives of the Service Exchange Agreement were 1) to create strong, financially viable local governments, 2) to develop a clearer, fairer, provincial- municipal partnership, and 3) to rationalize service provision.

Information for Q2 and Q3:

Under the Service Exchange Agreement, the provincial government took responsibility for:

- Social Services and Child Welfare
- Public Health and Long-term Care
- Administration of Justice
- Environment (regulatory aspects of sanitation and health standards)
- Highway Police Patrols and central police services

The provincial government also continued to hold a range of responsibilities, such as those pertaining to healthcare, education, housing, and provincial roads.

Municipalities took responsibility for:

- Making mandatory contributions to correctional services
- Policing
- Local Roads
- Sidewalks
- Public Transit
- Land-use Planning
- Building Inspection
- Recreation
- Control of Invasive Weed Species

Municipalities continued to be responsible for water and wastewater, management of solid waste, public libraries, and mandatory contributions to education and regional housing authority net operating losses.

Some municipalities also pay a per kilometre service exchange balancing fee (initially \$3500 per/km pegged to CPI) in lieu of accepting the transfer of local roads under the Provincial- Municipal Service Exchange.

Q2: Considering the responsibilities listed above, which responsibilities does your council believe municipalities should maintain or assume and why?

Response

Making mandatory contribution to local roads, sidewalks, public transit, land use planning, building inspection, recreation should be maintained by municipalities as they are a municipal responsibility.

Except for correctional services these services are local in nature and have been provided by Municipal units who either have their own staff or purchase the services from other units. The local government approach of providing the services works for the constituents and the municipal units are familiar with the community it serves and can provide the appropriate services to the community.

Q3: Considering the responsibilities listed above, which responsibilities does your council believe the province should maintain or assume and why?

Response

The province should assume full responsibility for the provision of policing services. All units should be able to have access to quality policing services that are delivered by a central force. There are escalating costs, partly a result of unionization of the RCMP. Municipal Units do not control the costs, or the delivery of services therefore should not be responsible for the cost.

Likewise, it would make sense for the province to assume full responsibility for correctional services including the costs.

Housing Authority losses (if Housing remains provincial), Education rate and cost associated with Public Libraries.

Information for Q4: Municipalities often respond to challenges and opportunities in their jurisdictions at their own discretion.

Many municipalities continue to make significant expenditures in the areas of Public Health, Environmental Health Services, Long-Term Care Facilities, Housing, Public Safety, Physician Recruitment, Economic Development, and Arts and Culture.

Q4: What discretionary expenditures by your municipality does your council believe should be better supported by the province?

Response

There should be a concentrated effort to continue to investigate ways to attract medical personnel to Municipal units. This should include recruitment of LPNs, Physicians, and other medical personnel that are crucial to the attraction of new residents and the confidence of existing residents that our communities can provide a reliable medical service for all residents of Nova Scotia.

In addition Local roads, and Water/Wastewater could be better supported by the province.

Q5: To provide a sense of priorities, state the top three municipal expenditure responsibilities that your municipal council believes should be reviewed and why?

Response

The top priority that the province should investigate is as follows:

A review of the equalization formula to take into consideration the number of roads and sidewalks and centralized sewer systems that a Town has to maintain. The province currently pays for most roads and streets in rural units and stops at Town boundaries, this current system places an undo amount of pressure of Towns to maintain and grow the community. A new equalization grant formula should be created, all revenue streams and ability to pay should be included in the formula to give a fairer distribution of the equalization funds.

Other items to be considered, Education Rate and Housing Authority Losses.

Q6: What new service responsibilities would your municipality find unacceptable?

Response

With the current infrastructure that the Town maintains and the future investment in upgrades to the Sewage Treatment Plant and maintaining existing infrastructure, the addition of new services would not be recommended without revisions to the funding formula, as indicated in the answer to Q5. In summary no new services.

Questions related to the Municipal Government Act Review

Since the last MGA Review in 2015, several changes have been made to the MGA. These changes have granted municipal authority to take actions that were previously prohibited. These changes allow municipalities to invest and make decisions in new aspects of the communities that they govern.

Q7: The following question provides a list of recent changes to the MGA that have implications for the abilities and responsibilities of municipalities. Using the checklist below, please indicate the discretionary abilities that your council believes are useful for your municipality.

- Expanded power to expend
- Mandate to establish a Municipal Code of Conduct
- Ability to finance developments that increase accessibility
- Ability to enable municipalities to sell land below market price in some cases
- Ability to engage in negotiation for the purpose of increasing affordable housing units
- Ability to create commercial development districts
- Others? Please add.

Response

The areas that the Town of Lunenburg feels are advantageous to the unit are:

- *Having the expanded power to expend removes various levels of approvals and ensures that we are an agile government that can take action when required and does not require provincial permissions when it is necessary to act.*

- *Ability to enable municipalities to sell land below market price ensures that a municipal unit can dispose of property at less than market value to nonprofit organizations. The legislation also ensures that municipal units are selling any properties it deems surplus at market value which maximizes the return on investment to the Town for future investment.*

Q8: What discretionary abilities conferred by the MGA does your municipal council believe are not useful and why?

Response

None

Q9: What additional discretionary abilities does your municipal council believe should be granted by changes to the MGA?

Response

Council Designation of FOIPOP Administrator

Information for Q10: A number of other federal and provincial statutes and regulations have implications for municipal budgets as non-discretionary expenses.

Q10: Using the checklist below, please indicate which regulations or responsibilities your municipal council finds to be causing considerable pressure on your budget and capacity to accomplish core goals?

- Surplus Schools
- Property Valuation Assessment Services
- Federal Wastewater Systems Effluent Regulations
- Cost of Police Evidentiary Lab Analysis Services
- Minimum Planning Requirements (Coastal Protection Act)
- (Upcoming) Worker Compensation Board Premiums for Volunteer Fire Fighters

Response

The municipality finds that surplus schools and wastewater are very costly to the Town.

Q11: Are there any other responsibilities brought about by statutes or regulations not mentioned above that add significant pressure on your budget?

Response

No

Q12: If your county or district municipality elects a warden, please indicate whether, in the opinion of your municipal council, the warden system should be replaced by the mayoral system.

Response

N/A

Q13: Village governance is established in Part XVII of the MGA. In the view of your municipality, should villages be consolidated with districts and counties? Please explain why or why not.

Response

N/A to our municipal unit but overall simplification of the municipal system is a worthwhile goal in principle.

Information for Q14: Municipal mergers can help municipalities cooperate rather than engage in competition with each other. Consolidation is a new approach to municipal mergers that is more collaborative for the municipal partners than dissolution or amalgamation. Below is a chart that describes the difference between consolidation and amalgamation.

	Consolidation	Amalgamation
Examples	Windsor West Hants	Halifax Regional Municipality Cape Breton Regional Municipality
Overview	Municipal Leadership “Bottom Up” Process	Provincial Leadership “Top Down” Process
Legislation	Special Legislation for each merger Joint Councils make the merger decision Councils request special legislation	Municipal Government Act, Part XVII NSUARB Reviews Municipal proposals Cabinet issues merger order
Structure	Joint Transition Committee Joint Committee recommends Coordinator Joint Committee develops organization Staffed with municipal staff, consultants Joint Committee hires first CAO Boundaries reviewed by NSUARB Joint Committee organizes first election	Independent Coordinator Cabinet Chooses Coordinator Coordinator develops organization Staffed by experts, consultants Coordinator hires first CAO Boundaries reviewed by NSUARB Coordinator organizes first election

Source: Antigonish Fact Sheet “Consolidation or Amalgamation? What is the Difference?”, <https://antigonish.ca/>

Q14: Under what conditions does your council believe municipal consolidation is advisable? Reasons could include fiscal insolvency, limited access to qualified personnel, infrequency of competitive elections, or an effort to decrease costs.

Response

Fiscal insolvency and any other conditions that severely debilitate the effective functioning of a municipal unit.

Q15: What incentives could be put in place to make amalgamation viable.

Response

- *Build a model for amalgamation that ensures costs are kept to a minimum.*
- *Provide a highly trained resource to oversee the process.*
- *Fund costs directly attributable to the amalgamation (for example severance, training).*
- *Financial support to fund aging infrastructure (takes burden off amalgamation partners).*
- *Implement a three-year Amalgamation Transition Grant to cover unexpected costs or to allow for investment in new technologies.*
- *Addressing the fiscal imbalance (available tax base v. infrastructure demand) between Towns and Rural Municipalities.*

Questions related to municipal revenue

Q16: Municipalities can be supported in fulfilling all responsibilities with new or expanded sources of revenue. What new or expanded revenue sources or tools does your municipal council believe to be most viable?

Response

- *Accommodation room levies*
- *Taxation strategy for ~~Air BNB~~ emerging unregulated industries (i.e. Air BNB Uber)*
- *Land value taxation*
- *Density-based property taxation*
- *Municipal Income/Sales tax points*
- *Additional 0.5 % deed transfer tax room*
- *CAP removal*
- *Congestion Pricing authority*
- *Decreased fixed costs (e.g., Education Rate, Library Funding, Housing Authority Funding, etc.,)*

Information for Q17 and Q18:

Municipalities benefit from a range of grants including grants-in-lieu of taxes, the Municipal Financial Capacity Grant, and the Towns Foundation Grant.

Grants-in-lieu of Taxes include Farmland Grant, Nova Scotia Power Grants-in-lieu of Taxes, and Provincial or Federal grants-in-lieu of Taxes.

Other Grant Programs include a) Emergency Services Provider Fund, b) Municipal Innovation Program, c) Provincial Capital Assistance Program, d) Flood Risk Infrastructure, e) Investment Program, f) Fire Protection Grant, g) Municipal Flood Line Mapping Program, h) Beautification and Streetscaping Program, i) Community Works Program, j) Canadian Community Building Fund (formerly the Gas Tax), k) 911 grant.

Q17: What grants has your municipality received for operational expenses and how could these grants be improved?

Response

- *Grants-in-lieu of taxes*
- *Towns Foundation Grant*
- *Fire Protection Grant*
- *Community works Program*
- *911 grant*

Improvements include increasing the grant funds so that more municipalities may apply and be successful. Review Towns Foundation Grant as discussed in question #5.

Q18: What grants has your municipality received for capital expenses and how could these grants be improved?

Response

- *Provincial Capital Assistance Program*
- *Canadian Community Building Fund (CCBF) (formerly gas tax)*
- *Flood Risk infrastructure*
- *Beautification and Streetscaping Program*
- *Emergency Services Provider Fund*
- *ICIP*

Improvements could be made to provide a better relationship between the infrastructure that is maintained by a municipality and their share of the CCBF. Ability to pay should also be considered.

Special considerations and other comments

Q19: Is there anything about your municipality that your council believes deserves special consideration in terms of expenditure responsibilities, legislation, or financial support?

Response

The Town of Lunenburg is a municipal UNESCO site. This places strain on local infrastructure, and the Town receives no operational/upkeep support related to roads, sidewalks, servicing, façade improvement, parks, etc., from either the federal or provincial government for playing this important role for both jurisdictions.

Q20: Is there anything else that your municipal council would like to share?

Response

- *Extend parliamentary privilege to Municipal Councillors during Council meetings*
- *Apply Municipal Codes of Conduct to CAO/staff as well as Councils*
- *Apply the provincial Public Interest Disclosure of Wrongdoing Act to Municipalities or enact comparable legislation for Municipalities*
- *Relax the interpretive stringency about Councillors speaking on Council issues outside of Council meetings*
- *Remove the ability for CAO's to be present during Council meetings when they themselves are the subject of discussion (and require Council to have a clerk, legal counsel, or some other form of notary present to record its decisions in their absence)*
- *Make CAOs at-pleasure appointments comparable to Deputy Ministers unless they and the Council agree to different contractual terms and exempt them from the tenured employee rule under Section 71 of the Labour Standards Code*
- *Remove the one-year limit on the CAO's lease signing authority and allow the limit to be set by Council policy*
- *Eliminate any requirements to periodically review policies (e.g., expense policy reaffirmation)*
- *Eliminate any requirements for Council's to have certain committees (e.g., Planning Advisory Committees, Heritage Advisory Committees, Audit Committees) or any other prescriptive requirements for handling issues below the Council level and instead provide proscriptive guidance on process parameters*
- *Consider assigning municipal boundary reviews and elections management to provincial commissions and Elections Nova Scotia*
- *Eliminate the requirement to have Boards of Police Commissioners or Police Advisory Boards under the Police Act (presuming policing remains a municipal jurisdiction), as it muddles accountability in policing. Instead have a province-wide oversight board for policing with municipally managed or contracted police forces.*
- *Institute provisions for a caretaker period from the election of a new Council until its swearing-in that limits the outgoing Council's authority to act unless necessary*
- *Review the legislative requirements for public participation/public hearings*

3. RECOMMENDATION AND DRAFT MOTION

Approval of the following draft motion:

Draft Motion: moved and seconded that Council approve these survey responses and that they be forwarded as the Town's response to NSFMs by the June 13, 2022 survey deadline.

Acknowledged only by:

Kevin Malloy
Interim CAO