



**Fundy Regional
Service Commission**

Commission de Services
Régionaux de Fundy

Monthly Meeting

October 19, 2022

Minutes of the meeting of the Board of Directors of Fundy Regional Service Commission held on Wednesday, October 19, 2022, at 10 Crane Mountain Rd, Saint John, NB.

1. Call to Order

The Board Chairperson, Brittany Merrifield, called the meeting to order at 10:04 a.m.

2. Record of Attendance

Brittany Merrifield	Chairperson
Jim Bedford	Vice Chairperson
Bette Ann Chatterton	Mayor, St. Martins
John MacKenzie	Deputy Mayor, Saint John
Nancy Grant	Mayor, Rothesay
Libby O'hara	Mayor, Quispamsis
Ray Riddell	Local Service District Representative
Tina Dealy	Local Service District Representative
John Cairns	Local Service District Representative

Absent

OTHERS

Phil Ouellette, Chief Executive Officer, FRSC
Marc MacLeod, Executive Director, FRSC
Alicia Raynes, Recording Secretary, FRSC
Nick Cameron, Assistant Development Officer, FRSC
Maurice Robichaud, Transition Facilitator
Terry Keating, Department of Local Government
Bill Thompson, Transition Facilitator
Robert Doucet, Mayor, Hampton
Margo Glass, Reporter, Telegraph Journal

3. Approval of the Order of Business

The Chairperson asked for approval of the Order of Business

Motion: To approve the October 19, 2022 Agenda as presented, with the addition of the open minutes from the FRSC open meeting on October 5, 2022 to item five (5).

Moved: Director Grant
Seconded: Director O'Hara
Vote: *Motion Carried*

4. Disclosure of Conflict of Interest

None

5. Approval of the Minutes

Motion: To approve the August 29, 2022 minutes as presented.

Moved: Director Grant
Seconded: Director Bedford
Vote: *Motion Carried*

Motion: To approve the September 26, 2022 minutes as presented with a correction to item one (1) "Call to Order", it should state "The Board Vice Chairperson, Jim Bedford, called the meeting to order at 11:06 a.m."

Moved: Director O'Hara
Seconded: Director Cairns
Vote: *Motion Carried*

On page three (3), under the signature, it was noted that it should also read "Jim Bedford, Vice Chairperson".

Motion: To approve the October 5, 2022 minutes as presented.

Moved: Director Chatterton
Seconded: Director Bedford
Vote: *Motion Carried*

It was asked what action has been taken on the motion approved at the October 5, 2022 meeting. Transition Facilitator, Mr. Robichaud, explained that he sent an email to Transition Facilitator, Ken Anthony, to inquire if any action has been taken on the motion but he had not received a response at this time.

Motion: That the October 5, 2022 motion be immediately forwarded directly to Minister Allain and FURTHER THAT: By the end of business day on Thursday, October 20, 2022, a letter be sent from the Fundy Regional Service Commission to Minister Allain by e-mail (copied electronically to Commission members), to be followed up with a hard copy to the Minister, expressing concerns of Commission members with respect to the inclusion of the Saint John Trade and Convention Centre on the list of Regional Facilities for the Fundy Regional Service Commission, outlining the following:

1. There are 5 regional facilities in the Fundy region, more by at least 2, than in any other region in the province;

2. The Trade and Convention Centre does not fit the new criteria for regional sport, recreation and culture facilities; other venues can provide similar services;
3. The Trade and convention Centre is managed through a contract solely between the City of Saint John and Hilton Hotels and Resorts, with no opportunity for input into this contract by any of the other regional partners;
4. The other 4 Regional facilities are all overseen by their own Commissions or Boards of Directors, with regional input; whereas the Trade and Convention Centre is overseen only by a "committee", which hasn't met for several years. Thus there is virtually no possible way for the other regional partners to have any oversight; AND
5. The Trade and Convention centre is a physical entity within another physical entity, namely Market Square. Commissioners are concerned that the subject of capital improvements for the Centre may well become a "grey area" which could conceivably include capital improvements to Market Square. Commissioners have not been privy to the list of requested capital improvements- the list, with costs, has been drawn up by Saint John, and not shared with Fundy Regional Service Commission members.

Moved: Director Grant
 Seconded: Director O'Hara
 Nay: Director MacKenzie, Chairperson Merrifield
 Vote: Motion Carried

The validity of introducing a motion without first providing a copy of the motion to the Board was discussed. It was explained that the motion, whether written or verbal, is acceptable as it is arising from existing minutes and perceived inaction taken on a previous motion.

6. Consent Agenda

None

7. Planning – Building Inspection – August & September, 2022 – Nick Cameron

Nick Cameron, Assistant Development Officer, FRSC, presented the August and September 2022 Reports for Building, Development & Planning for the Village of St. Martins & FRSC Rural areas. Year-to-date total estimated cost of construction at the end of August, 2022 was \$15,276,500 compared to 2021 which was \$8,814,240. Year-to-date total estimated cost of construction at the end of September, 2022 was \$17,558,500 compared to 2021 which was \$10,157,240.

Motion: To receive and file as presented.

Moved: Director O'Hara
 Seconded: Director Grant
 Vote: Motion Carried

8. Hampton Mayor

Chairperson Merrifield introduced Robert Doucet, Mayor of the Town of Hampton. Mr. Doucet explained that in general, Hampton is in support of Local Governance Reform, however at this time, they have no vote on the Board of Directors of the FRSC as they are not officially considered a member until January 1, 2023. This was expressed as an area of concern due to the type of decisions that are being made. With regards to Regional Facilities, they feel that capital costs should not be considered due to lack of ownership of the facilities, lack of oversight and overall, no authority. It was also suggested that the Trade and Convention Centre be removed from the

list of Regional Facilities. Hampton would be supportive of a budget including operational costs of the SRC, omitting capital for 2023 until the RSC determines a process around capital for 2024.

Motion: To receive and file as presented.

Moved: Director Grant
Seconded: Director Chatterton
Vote: *Motion Carried*

9. Finance

Chairperson Merrifield provided an overview on the idea behind local government reform and expressed the need for the FRSC to strive to develop a 2023 budget that all communities can accept. The tremendous value and support provided by Executive Director Marc MacLeod throughout the process was also recognized and a thank you was expressed to all staff for their contributions thus far. Phil Ouellette was introduced by Chairperson Merrifield as the new Chief Executive Officer of the FRSC.

Mr. Ouellette provided a brief overview of the objective for the 2023 FRSC Budget and the challenges associated with that. It was explained that Bill 110, which received royal ascent on June 10, 2022, grants the provincial Minister of Local Government and Local Governance Reform the authority to adopt the budget of the RSC for the 2023 fiscal year. It was further explained that this is a one-time authority granted to the Minister for the purposes of local governance reform and the autonomy to ratify future FRSC operating budgets will remain with the FRSC Board of Directors. The key differences between versions five (5) and six (6) of the budget were highlighted including the RSC Grant of \$957,000 found within the 2023 Community Funding and Equalization Grant which has been applied to the new mandated services thereby reducing member contributions. \$100,000 of the RSC grant has been included in the budget for office space sufficient to deliver the services mandated to the FRSC.

a. SRC Distance

Executive Director MacLeod explained that within a closed session of the Ad Hoc Committee meeting on Local Government reform, there was a presentation of a distance funding formula with regards to Sports, Recreation and Culture which is one of the new service mandates for the FRSC. During that meeting, there was a motion to move that report to open session for further discussion.

Motion: To receive and file as presented.

Moved: Director Grant
Seconded: Director O'Hara
Vote: *Motion Carried*

Though distance mitigated some capital cost impact, there was a discussion regarding the capital costs associated with the list of regional facilities. Although the FRSC received the capital budget numbers for each facility, there is no breakdown presented of the work required.

It was asked why the capital document from the working group was not shared with the RSC. It was explained that the working group was unable to agree on a recommendation to present to the FRSC Board, therefore, nothing was brought forward by the transition leader. It was further

explained that although we do not have all of the information deemed necessary to make informed decisions, the FRSC still has to include capital plans for 2023 as directed by the province.

Motion: To request a budget from the city of Saint John for the amount dedicated to capital for the 5 regional facilities, any capital work done over the last five (5) years and projections of what the capital is expected to be over the short, medium and long term.

Moved: Director O'Hara
Seconded: Director MacKenzie
Vote: *Motion Carried*

b. 2023 Budget

Executive Director Marc MacLeod presented draft version six (6) of the FRSC 2023 budget for consideration. It was noted that there were two (2) key changes in the budget. It was explained that because there has been no direction from the province with regards to the Trade and Convention Centre, it remains in the budget. Since the distribution of version five (5) of the budget, the RSC has been advised of a Community Funding and Equalization Grant of approximately \$957,000 that will be received for 2023. Out of that amount, \$100,000 will go towards a new corporate office space. An additional \$10,000 will be put towards governance training for members. It was explained that each of the mandated services received the proportional amount of the grant based on the cost of the services. No other changes were made to the budget, the SRC portion still includes operating and capital costs.

Motion: Be it resolved that the Fundy Regional Service Commission submit version 6 of the 2023 operating budget, as outlined in the report submitted to the Commission for its October 19, 2022 meeting, for ratification by the Government of New Brunswick's Minister of Local Government and Local Governance Reform.

Moved: Director O'Hara
Seconded: Director Dealy

Chairperson Merrifield vacated as chair at 10:56am to propose a motion. Jim Bedford assumed the role of Chairperson.

That the Commission approve the FRSC Budget with three provisions:

1. That the GNB permanently fund 100% of the new downloaded services including Community Planning, Tourism Promotion Administration, Economic Development Administration, Community Development, Regional Transportation, and Public Safety totaling \$354,495 (2023 budget year numbers).
2. That the capital budget for the regional facilities be approved pending:
 - I. The establishment of a capital oversight committee consisting of the CAOs and the Local Service Manager or their designate to review the asset management of the facilities,
 - II. A presentation by the City of Saint John outlining the need for the work and what they are doing to modernize the buildings. And,
 - III. That a review be completed to determine if transferring ownership of the facilities from the City of Saint John to the Fundy Regional Services Commission is warranted.

Moved: Director Merrifield
Seconded: Director MacKenzie

The level of demand placed on members was discussed. It was explained that the current structure of the FRSC is going to change. It is anticipated that there will be more committee level work than in the past which will alleviate some of the workload on Board members.

Concerns about the budget process and the requirement of the Regional Services Delivery Act to provide 45 days notice to communities were discussed. It was explained that under Bill 110, the Minister is able to adopt the FRSC 2023 budget for the FRSC. The goal is to achieve as much consensus as possible. Any information will be forwarded to the Minister for him to make a decision. This process is only for the 2023 fiscal year.

It was suggested that the process to approve the 2023 budget is not democratic as not all of those communities affected are represented at the board level. There were also concerns raised regarding the equalization grant that the city of Saint John receives that other areas do not. Members suggested it would be irresponsible to approve a budget without all the necessary details.

Director Merrifield was requested to amend her motion into two separate parts. However, the seconder did not agree.

Nay: Director Grant, Director Bedford, Director O'Hara, Director Dealy,
Director Cairns, Director Chatterton
Vote: Motion Defeated

Chairperson Merrifield called for a motion to adjourn.

Motion: To adjourn the meeting at 11:22 a.m.

Moved: Director Riddell
Seconded: Director MacKenzie
Vote: Motion Carried

APPROVED (date)

Dec 19, 2022


Brittany Merrifield, Chairperson


Alicia Raynes, Recording Secretary