



**Minutes**  
**Special Town Council Meeting**  
**January 27<sup>th</sup>, 2020**  
**Community Centre, Meeting Room A**  
**5:00 p.m.**

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**Over 60 members of the public were present**

**Mayor Mattatall called the meeting to order at 5:00 p.m.**

**1) Approval of the Agenda**

**Young – Ringer**

THAT the Agenda for the Special Town Council Meeting of January 27<sup>th</sup>, 2020 be approved.

**CARRIED**

**2) Council Item:**

**a) Press Release**

The CAO gave a presentation regarding the Press Release that was released on January 24<sup>th</sup>, 2020. The presentation gave an overview of the Town's current financial situation, trends and events leading up to the present day and options for the future. In the 2019 press release, it was noted that the Town was facing a \$400,000 budget shortfall which resulted in cuts and focusing on core services while looking at regional service delivery options. One of the key trends that the CAO mentioned is that the revenues do not keep up with expenses and forecasts show that this will not change in the upcoming years. In 2019, an FCI snapshot showed 5 yellow indicators and 1 red which resulted in the Town putting together an Action Plan and creating a reserves policy.

This year, the Town is facing a \$150,000 gap in the operating budget and in order to close that gap, there would need to be further cuts or a raise in taxes. Residents are already taxed at their threshold within the Town but with no new revenue coming in, there is no ability to close the gaps or build reserves.

Reasons that were listed as to how the Town got into their current financial situation included:

- i) Population Decline – Although Shelburne is one of the only communities to see a small growth in population, there is still a large difference in population from previous decades.
- ii) Climate Change & Environmental Risks – Additional repairs to Town infrastructure and upgrades to infrastructure add unexpected costs.
- iii) Changing Demographics
- iv) Aging Infrastructure vs. New Regulations – The Town is mandated to put in new system upgrades under new regulations at unaffordable costs. The infrastructure is old and under the asset management study, will require millions of dollars in upgrades.
- v) Limited Revenue Generation Potential, Cost of Services – The Town is limited in how it can generate revenue. Most of the revenue comes from residential and commercial property taxes.
- vi) Impact of Federal / Provincial Downloading of Services and Properties – The Town has no say in what is downloaded or offloaded to them as the lowest tier of government. Some examples include the Marine Terminal and the King Street Centre.

vii) Disproportionate Level of Responsibilities / Liabilities of Towns – Towns across the Country are facing similar issues as hubs for surrounding communities. This can be seen in urban sprawl or rural areas and many units have amalgamated in order to share responsibility for services that are used by the region. The Town has many costs that rural areas don't have such as streets, water lines, sewer lines, events/festivals, and town-owned buildings such as the King Street Centre / Little People's Place, the Yacht Club / Osprey Building, Community Centre, etc.

The Town has looked at several unification options in past years including amalgamation, consolidation and dissolution. Initial talks took place regarding consolidation between Lockeport, the Town of Shelburne, and the Municipality of the District of Shelburne however, the District would not meet further unless there was financial support from the province in regards to the Town's assets. With consolidation off of the table at this time, the Town is looking at the option of dissolution. With dissolution, the Town would apply to dissolve and the UARB (Utility Review Board) would examine the area and decide on level of service and terms of government within the best interest of inhabitants.

Mayor Mattatall noted that there will be a session scheduled for next week where the public can ask questions.

Councillor Young spoke about the union of Windsor / West Hants working together regionally.

Councillor Locke told residents that these financial concerns had been building for decades without asset management in place. He also noted the unplanned challenges that this council has had to face with repairs and mandated sewer plant upgrades.

Councillor Ringer stressed that we are all one community and need to focus on working together for the health of the region.

Councillor Davis made a notice of motion that he will be asking for a plebiscite on the topic for the next election.

Mayor Mattatall encouraged residents of the Town and the Municipality of the District of Shelburne to attend the upcoming meetings and ask questions to learn about the situation.

The CAO announced that the slides from the presentation will be available online tomorrow and that he is available for questions via email or telephone.

### **3) Adjournment**

**Locke**

THAT the Special Town Council Meeting of January 27<sup>th</sup>, 2020 be adjourned at 5:31 p.m.

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**Karen Mattatall, Mayor**

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**Julie Ferguson, Town Clerk**