



**JOINT RECREATION SUBCOMMITTEE AGENDA
July 9, 2021 9:30AM**

This meeting is being conducted by means of Electronic Participation by a majority of members, as permitted by Section 238 (3.3) of the Municipal Act, 2001, as amended.
USING VIDEO AND/OR AUDIO CONFERENCING.

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<https://us02web.zoom.us/j/84829988171>

Meeting ID: 848 2998 8171

PAGE **1.0 Call to Order**

2.0 Approval of the Agenda

Staff Recommendation: THAT the agenda for July 9, 2021 be approved.

3 **3.0 Passing of the Previous Meeting Minutes**

Staff Recommendation: THAT the minutes of May 26, 2021 be approved.

4.0 Administration

6 **4.1 KPMG Management Letter**

Staff Recommendation: THAT the Joint Recreational Committee receive the management letter from KPMG regarding liabilities at the North Dufferin Community Centre;

AND THAT the Committee forward the Letter to their respective Councils for consideration.

9 **4.2 Recreation Agreement**

Staff Recommendation: THAT the Joint Recreational Committee support the Draft Recreation Agreement as presented/amended;

AND THAT a Bylaw and the Draft Recreation Agreement be brought forward at the next meeting of each respective Council for consideration.

5.0 Information Items

5.1 NDCC Grant Application

6.0 Closed Session

Staff Recommendation: THAT the Joint Recreation Committee adjourn to closed session at _____. pursuant to Section 239 of the Municipal Act, 2001 as amended for one (1) matter regarding labour relations or employee negotiations [239(2)(d)]

6.1 NDCC Board Reorganization

Staff Recommendation: THAT Council do rise out of closed session and into open session with the following motion:

7.0 Items for Future Meetings

8.0 Meeting Adjournment

Staff Recommendation: THAT Council adjourns the meeting at _____ to meet again on _____, 2021 or at the call of the Chair.



MINUTES
JOINT RECREATION SUBCOMMITTEE
May 26, 2021 9:00AM

Present: Darren White, Mayor of Melancthon
David Besley, Deputy Mayor of Melancthon
Janet Horner, Mayor of Mulmur
Earl Hawkins, Deputy Mayor of Mulmur
Denise Holmes, CAO of Melancthon
Tracey Atkinson, CAO of Mulmur
Roseann Knechtel, Deputy Clerk of Mulmur

1.0 Call to Order

The meeting was called to order by Darren White at 9:12 am. The meeting was hosted using an electronic zoom platform. The next meeting will be Chaired by Janet Horner.

2.0 Approval of the Agenda

Moved by Horner and Seconded by Hawkins

THAT the agenda for May 26, 2021 be approved.

CARRIED.

3.0 Approval of Minutes

Moved by Besley and Seconded by Hawkins

THAT the minutes of April 21, 2021 be approved.

CARRIED.

4.0 Administration

4.1 NDCC Board - Option D (verbal update)

Dave Besley provided an update for the Joint Board regarding the presentation of Option D to the North Dufferin Community Centre Board. The NDCC Board was receptive and was in support of the Option D proposal.

The Joint Committee discussed the involvement of the Board and agreed to keep the lines of communication open throughout the process.

4.2 Grant Application Funding NDCC Project (verbal update)

Staff provided an update on the grant application process. The Township of Mulmur has engaged Grant Match Corp., a grant writing consulting firm, to assist in the grant application. The grant application is intended to be submitted by early June 2021.

4.3 Recreational Coordinator Job Description

Staff provided an overview of the draft job description and the line of reporting. Discussion ensued regarding job duties, reporting, and cost sharing.

Moved by Horner and Seconded by Besley

THAT the Joint Recreational Committee support the draft job description (as circulated and amended) for a recreational coordinator, and direct staff to obtain associated salary information to be presented to each Council for consideration.

AND THAT the cost sharing be brought forward at each Council for consideration.

CARRIED.

4.4 Governance Structure Discussion

Members discussed the various governance structures and options available for each Council. Members also discussed the continuation of an inter-municipal Committee/Board of Council.

Moved by Hawkins and Seconded by Besley

THAT the Joint Recreational Committee recommend the draft governance model to their respective Councils for consideration;

AND THAT the Committee direct staff to prepare a draft agreement and by-law to facilitate a new recreational coordinator position, staff structure, governance boards and committees.

CARRIED.

5.0 Information Items

5.1 Mulmur Motion, April 7, 2021

5.2 Melancthon Motion, April 15, 2021

Moved by Hawkins and Seconded by Besley

THAT the information items be received as copied and circulated.

CARRIED.

6.0 Business for Future Meeting

6.1 Country Service Review Recommendations

6.2 NDCC Draft Agreement Bylaw

7.0 Meeting Adjournment

Moved by Horner and Seconded by Hawkins

THAT Council adjourns the meeting at 10:40 a.m. and agree to meet again at the call of the Chair.

CARRIED.

DRAFT



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Ms. Heather Boston

Treasurer
 Township of Mulmur
 758070 2nd Line East
 Mulmur, ON
 L9V 0G8

June 1, 2021

Dear Ms. Boston:

In planning and performing our audit of the consolidated financial statements of Township of Mulmur (“the Township”) for the period ended December 31, 2020, we obtained an understanding of internal control over financial reporting (ICFR) relevant to the Township’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR. Accordingly, we do not express an opinion on the effectiveness of the Township’s ICFR. Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies or other control deficiencies have been identified. As a result, any matters reported below are limited to those deficiencies in ICFR that we identified during the audit. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.

Refer to the Appendices for the definitions of various control deficiencies.

Significant Deficiencies

We did not identify any control deficiencies that we determined to be significant deficiencies in ICFR.

Other Observations

We identified the following observations that we determined are of sufficient importance to merit management's attention:

Description of other observation
<p>KPMG notes that the governance structure and managerial oversight of the North Dufferin Community Centre (“NDCC”) may expose the Township of financial and operational risk. While operating as a Joint Municipal Service Board, established by agreement between the Township and the Township of Melancthon, the Township is ultimately accountable for the activities of the NDCC, much like any other department or activity of the Township, albeit, some of that accountability may be</p>



Description of other observation
<p>shared with the municipal partner.</p> <p>Employees operating the NDCC do not have a direct reporting to either municipality and decisions made by the employees and/or the Board of NDCC may inadvertently expose the Township of liabilities and costs.</p> <p>We also understand that a robust accounting for inventories of supplies (whether they be fuel oil, propane, gasoline, concessions, etc.) is not maintained, reported or supervised.</p> <p>We recommend that the Township consider the governance structure and oversight mechanisms of the NDCC. This may include amending the existing Board in favour of an Advisory Committee (one without operational authority) and revise the reporting structure such that employees operating the NDCC have direct line reporting to Township staff (or Township of Melancthon staff, if determined to be appropriate).</p> <p>We also recommend that inventory control processes be implemented to document the acquisition, use, and period-end values of inventories on hand, with reporting of such activities to Township staff.</p>

Use of letter

This letter is for the use of management and those charged with governance in carrying out and discharging their responsibilities and should not be used for any other purpose or by anyone other than management and those charged with governance.

KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this letter has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Yours very truly,

Chartered Professional Accountants, Licensed Public Accountants
Matthew Betik, CPA, CA
Partner
519-747-8245



Appendices

Terminology	Definition
Deficiency in Internal Control (“control deficiency”)	<p>A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.</p> <p>A deficiency in design exists when (a) a control necessary to prevent, or detect and correct, misstatements in the financial statements is missing; or (b) an existing control is not properly designed so that, even if the control operates as designed, the control is unable to prevent, or detect and correct, misstatements in the financial statements.</p> <p>A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.</p>
Significant Deficiency in Internal Control (“significant deficiency”)	<p>A significant deficiency in internal control is a deficiency, or combination of deficiencies, in internal control that, in the auditor’s professional judgment, is of sufficient importance to merit the attention of those charged with governance.</p>

AGREEMENT AS OF

BETWEEN:

**THE CORPORATION OF THE TOWNSHIP OF MULMUR,
hereinafter referred to as “Mulmur”**

-and-

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON,
hereinafter referred to as “Melancthon”**

This Agreement witnesseth that, in consideration of the mutual covenants and conditions herein contained, the parties hereto agree to the following:

Facilities

1. Mulmur is the owner of the lands identified as Con 3 W E PT Lot 25, RP 7R-4424 Part 3, on which the facility known as the North Dufferin Community Centre (“NDCC”) is located. The NDCC includes all land, buildings, improvements, equipment and chattels pertaining to its operations.
2. Mulmur Township shall continue to be the sole owner of the NDCC.
3. The NDCC shall be operated in compliance with the provisions of the *Municipal Act, 2001*, SO 2001, c 25, and any applicable regulations, as amended from time to time.

Committees

4. The Recreation Coordinator shall be the secretary for the Joint Recreation Committee of Council, the NDCC Recreation Advisory Committee and attend all other Melancthon and Mulmur recreational committee meetings as required.
5. The terms of reference and mandate for the NDCC Recreation Advisory Committee shall be defined as included as Schedule A, attached to and forming part of this agreement.
6. The terms of reference and mandate for the Joint Recreation Committee of Council shall be defined as included as Schedule B, attached to and forming part of this agreement.

Staff

7. The terms of the shared Recreational Coordinator position are as included as Schedule C, attached to and forming part of this agreement.

Insurance

8. Insurance for the NDCC Facility shall be provided through the Township of Mulmur’s insurance provider and the cost will be included as part of the NDCC annual operating budget.

Financials

9. The Treasurer of Mulmur shall act as the Treasurer of the NDCC and provide treasury services at no cost, however, there will be costs for accounting software. The Treasurer shall keep full and accurate books and records of all transactions of the NDCC. The Treasurer shall render to the Joint Recreation Committee of Council at the annual meeting thereof, or whenever required, an account of all transactions and of the financial position of the NDCC.
10. The Treasurer shall keep books and records, approve expenditures and issue cheques in accordance with the NDCC approved Budget.

11. On the date of execution of this agreement, Mulmur Township shall credit Melancthon for any existing operating reserve contribution, being \$20,000, and will hereinafter operate using Mulmur's operating reserves.
12. Following the date of execution of this agreement levies shall be paid in February, May, August and October of each year.
13. The Township of Mulmur and Township of Melancthon may each contribute levies towards capital and if unspent within the year, will be put into a capital reserve account by the Township of Mulmur to hold to meet future capital requirements and may be returned to each Township at their written request through a motion of their Council. These reserves will be used to absorb the impact of large purchases and/or unforeseen emergency capital requirements of the NDCC Facility. A report on the balance of the reserves shall be provided by the Treasurer at the Annual General Meeting or as requested by the parties.
14. It is recommended that each Township maintain a separate NDCC Capital Reserve within their own budget to help offset any large future levies for major building repairs, Zamboni and other major equipment capital costs per the Township of Mulmur Asset Management Plan.
15. The Capital Facility Reserve that is made up of donations, at the date of execution of this agreement shall continue to be placed in a reserve held by the Township of Mulmur for the benefit of the NDCC.
16. The Treasurer of the Township of Mulmur shall prepare the estimate of the NDCC net financial requirements for the year ("Budget"). The Treasurer of Mulmur will provide recommendations for the fee schedule, in keeping with the budget calculations, to be approved by the respective Councils. The Recreation Coordinator shall work cooperatively and equitably with the parties to the Agreement and work with the Treasurer to budget all operational and capital expenses.
17. The NDCC Budget shall be submitted annually to each municipality for approval no later than March 15th. The Councils of Mulmur and Melancthon shall have the right to amend the Budget by mutual agreement prior to approval.
18. Upon approval of the NDCC Budget by each Council, both Councils shall appropriate such monies as may be requisitioned by the Treasurer from time to time not to exceed the monies identified in the approved NDCC Budget.
19. The Recreation Coordinator shall not make or incur liability for any expenditure that is not approved as part of its NDCC Budget or by each Township.
20. Mulmur and Melancthon shall be responsible for the approved Recreation Coordinator salary, NDCC operating and capital levies expenditures and any deficit of the NDCC as follows:

Mulmur 50%
Melancthon 50%

Dissolving and Assignment of Agreement

21. In the event that either Mulmur or Melancthon wishes to cease participating in this agreement, they may do so by providing one (1) year written notice of termination to the other party. Any written notice given as aforesaid shall terminate this Agreement as of the 31st of December of the next calendar year.
22. The parties shall renegotiate this agreement in the event that an additional municipality or other permitted party wishes to join in this agreement and is approved by all parties to this agreement. It may also be renegotiated at the request of either Council.
23. This Agreement is personal to the parties and may not be assigned.

- 24. The parties covenant that they are entering into this Agreement in good faith and that they shall carry out its provisions in good faith.
- 25. All previous agreements signed are hereby null and void.

In WITNESS WHEREOF each of the parties hereto has affixed its corporate seal attested to by the proper officers duly authorized in that behalf;

SIGNED, SEALED AND DELIVERED
in the presence of:

**THE CORPORATION OF THE
TOWNSHIP OF MULMUR**

MAYOR

CLERK

**THE CORPORATION OF THE
TOWNSHIP OF MELANCTHON**

MAYOR

CLERK

SCHEDULE “A”

NDCC RECREATION ADVISORY COMMITTEE (Herein after referred to as the NDCC Committee)

Committee Appointment

1. The Members of the NDCC Committee shall be appointed by the Council of the Corporation of the Township of Melancthon and Mulmur for the term of Council. NDCC Committee members shall sit until the next members are selected by the Council following the Municipal election.
2. The NDCC Committee shall be composed of a total of eight (8) members, all of whom have voting rights:
 - One (1) member of Council from each of Mulmur and Melancthon Township
 - Three (3) community members shall be appointed by the Council of the Corporation of the Township of Melancthon
 - Three (3) community members shall be appointed by the Council of the Corporation of the Township of Mulmur
3. All NDCC Committee members shall be appointed by their respective Councils by resolution.
4. NDCC Committee members are expected to be residents, property owners, and/or business owners in the Townships of Mulmur and Melancthon.
5. All public members shall provide a clean criminal records check.

Administration

6. The NDCC Committee is a volunteer advisory committee.
7. The NDCC Committee shall meet as required, with a minimum of four (4) meetings per year.
8. The NDCC Committee shall elect a Chairperson, which cannot be a member of Council, and Vice-Chairperson annually from among its members and such other officers as may be required.
9. The NDCC Committee shall submit to each Council, an annual report of its activities and such other reports as may be required from time to time.
10. The NDCC Committee shall operate under the Procedural By-law of Mulmur Township.

Staff

11. The Recreation Coordinator will act as secretary for the NDCC Committee.
12. The NDCC Committee may make recommendations to the Recreation Coordinator in fulfillment of the Committee’s mandate.

Mandate

13. The NDCC Committee shall conduct or encourage and assist with programs of recreation at the NDCC Facility which will meet the needs and interests of the residents of the Township of Melancthon and Mulmur.

14. The NDCC Committee is responsible to enhance the recreation, usability and community functions and features of the NDCC.
15. The NDCC Committee may bring forward concerns facing the NDCC facility and programs, making recommendations and providing input regarding capital expenditures to the Recreational Coordinator.

SCHEDULE “B”

THE JOINT RECREATION COMMITTEE OF COUNCIL (Herein after referred to as the JRCC)

Committee Appointment

1. The Members of the JRCC shall be appointed by the Council of the Corporation of the Township of Melancthon and Mulmur for the term of Council.
2. The JRCC shall be composed of a total of four (4) members, all of whom have voting rights:
 - Two (2) members of Council from Mulmur; and
 - Two (2) members of Council from Melancthon.
3. JRCC members shall be appointed by their respective Councils by resolution.
4. The JRCC shall operate under the Township of Mulmur’s Procedural By-law, as amended.

Administration

5. The JRCC shall elect a Chairperson (Chair) and Vice-Chairperson from among its members at the first meeting of the Committee each calendar year. The Chair shall preside at all meetings of the Committee. The minutes of that meeting shall identify the persons elected to each of the identified positions.
6. The JRCC shall hold an Annual General Meeting with due prior notice to both parties and additional meetings as necessary or at the call of the Chair.

Staff

7. The Recreation Coordinator will act as secretary for the JRCC.
8. The JRCC may make recommendations to their respective Councils fulfillment of the Committee’s mandate.

Mandate

9. The Joint Recreation Committee of Council shall meet as required and at a minimum of one time per year, to conduct an Annual Review of this agreement, recreational programs, cross-jurisdictional recreational matters and the NDCC facility and make recommendations to their respective Councils.

SCHEDULE “C”

STAFF STRUCTURE

Staff Structure

1. The Recreational Coordinator shall be hired by the Township of Mulmur and shall be the responsibility of Mulmur Township.
2. The NDCC Facility shall be managed by the Recreational Coordinator, who shall oversee and manage the staff necessary for the operation of the NDCC Facility
3. The Recreational Coordinator position shall report to the Director of Public Works of the Township of Mulmur.
4. The CAO of Melancthon and CAO of Mulmur will jointly oversee recreational programming within their respective municipalities and mutually commit to discussing any concerns at a staffing level. Where matters are unresolved, they may be elevated to the Joint Recreation Committee of Council for resolution, with recommendations to each respective Council if necessary.

Contract Administration

5. The Township of Mulmur shall have responsibility and authority, including employment agreements and contracts, for the Recreational Coordinator and staff at the NDCC facilities.
6. The full cost of staffing the Recreational Coordinator and NDCC facility staff shall be recovered through this agreement.

Responsibilities

7. The Recreational Coordinator job description shall be administered at an operational level and coordinated through Melancthon and Mulmur.
8. Subject to statutory restrictions and those set out in this agreement, the Recreational Coordinator shall develop policies and draft by-laws for the operation of recreation in Mulmur and Melancthon, to be approved by each respective Council.
9. The Recreational Coordinator may develop and implement internal operating guidelines, rules, programs and procedures.
10. The Recreational Coordinator shall follow the Township of Mulmur HR Policy.



MEMO

To: Council
From: Heather Boston, Treasurer
Date: July 7, 2021
Re: Arena Grant Application

The Township's application for the Green and Inclusive Community Buildings grant was submitted on June 25, 2021.

It was a very difficult and time-consuming grant application and Grant Match worked hard completing this application on our behalf.

The grant offered two different types of project, one being a *Retrofit, Repair and/or Upgrade* to an existing building, or construction of a new building ("*New Build*"). An expansion or addition of 30% or greater of an existing building's floor space is considered a new build project. Projects involving the demolition of over 30% of an existing building's floor space are also considered new build projects. Projects that demolish up to 30% of an existing building's floor space and reconstruct/renovate/rebuild up to 30% of the building's baseline floor space are considered retrofit projects.

Since the square footage of the renovations are greater than 30% of the arena square footage the project only qualified as a "new build project" under the grant guidelines. Under that type of project, the grant offered was only 60% rather than 80% if it had been a "retrofit project."

Grant Match as informed me that we can stack grants with this one, so if the grant is approved we will move forward with applying for other grants to work in conjunction with this grant.

Respectfully submitted,

Heather Boston

Heather Boston, CPA, CA, CGA, Treasurer