

United Townships of Head, Clara & Maria Council

Type of Decision									
Meeting Date	Wednesday, April 15, 2015				Report Date	Friday, April 10, 2015			
Decision Required		Yes	X	No	Priority	X	High		Low
Direction		Information Only		X	Type of Meeting	X	Open		Closed
Recreation Committee - Report # 15/04/15									

Subject:

Committee consideration/understanding of rules of procedure and authority.

RECOMMENDATION:

Based on the comments received since the event, reports received from the St. Patrick's Day sub-committee and the meeting of the Recreation Committee of March 26 it has been determined that a review of the rules of procedure and authority of committee and sub-committee are required.

It is staff recommendation that individuals, who fail to acknowledge and follow Council's rules of procedure, not be granted the privilege of hosting events under municipal oversight in the future. It will ultimately be brought to Council for decision that these individuals are welcome to rent the hall and host a private event but can no longer represent Council.

The intent of this report is to advise the Recreation Committee and provide some direction so that they may be in a better position to advise sub-committees in the future.

It is not the intent of this report to correct errors made during the St. Patrick's Day sub-committee but instead to use examples from that event as it is recent and some decisions quite serious.

BACKGROUND/EXECUTIVE SUMMARY:

All committee members have been cc'd on emails exchanged between me and Cathy Balla-Boudreau dated April 1st and 2nd. You have also been provided with a copy of the letter which was included with my email.

There were comments made concerning the way that this information was communicated. Staff have learned through past experience that messages often are misinterpreted, are misunderstood, are not shared, are ignored or are simply not delivered effectively. We have learned that the most effective way of ensuring that all committee members (or Council members) have received the same information is to send it via email so that there is a record of the communication and that everyone has received the same information.

I was sincere in stating in those emails that I do not like being in the position of having to advise people who are well intentioned that they are carrying out tasks which are against municipal policy. I do not wish to stifle volunteerism or quash initiative. I do expect volunteers to respect and follow Council direction, decision and authority. I know that Gayle and Noella feel the same way and consider an individual's feelings before sharing any message. So...

It is my job to manage the operations of the municipality according to the legislation, Council policy and procedures. As a reminder of them:

Council's Procedure By-law states...

- 1.1. ***"Committee" ...All committees with less than a majority of members of council shall be referred to herein as "advisory committees" and such advisory committees shall not be bound by section 239 of the Municipal Act, 2001, as amended. Council encourages all advisory committees to comply with the closed meeting rules in section 239.***

And

1. OTHER COMMITTEES

- 1.2. ***Insofar as possible, the procedures of the committees shall be the same as those set out for Council, unless otherwise prescribed by statute or law; it being understood that Committees act in an advisory capacity only and that unless decision making authority has been delegated by Council, motions presented and resolutions passed at the Committee level shall be deemed proposals and recommendations respectively.***

Council has requested that advisory committees follow the rules of procedure as those set out for Council. This has also been re-enforced in the **Recreation Committee Terms of Reference**. From section D.

1. *"The committee is to serve as an advisory body to Council. The committee has limited delegated authority which may be amended from time to time by Council.*
2. *Recommendations requiring implementation, expenditures, reports or staff actions must first be considered by staff (if according to established Council policy) and/or Council (if additional approvals are required)."*

And

G. "Subcommittees

1. *Subcommittees may be formed to complete specific tasks related to the committee's mandate and work plan but must report through the Social committee to Council."*

And finally

1. ***"All meetings of the committee shall be open to the public..."***

2. ***As a formal advisory committee to Council, the committee is subject to the Rules of Procedure for Committees as outlined in the Municipal Procedure By-Law, the Municipal Code of Conduct, the Municipality's Harassment and Workplace Health and Safety Policies and any other applicable policies and/or procedures and legislation.***
3. ***At all times, the committee is a function of Council and acts at Council's pleasure meaning it may be dissolved at any time."***

Not trying to be difficult, the rules need to be followed, by everyone; all the time. Exceptions lead to precedent which leads to loss of control which leads to error and consequences. Informal discussion is necessary but decisions need to be made under delegated authority.

The last email dated Tuesday, April 7, 2015 from Cathy Balla-Boudreau was an invitation to "a brainstorming session re. St. Patrick's Day events".

If held with more than a quorum of committee members it would constitute a meeting and as per Council direction must be held in public. By hosting this meeting in a private residence, not advertising it and not making it available to the public is in direct contravention of Council's directives.

From the Recreation Committee Minutes of March 26, 2015...

"St. Paddy's Day – Report submitted by David Balla-Boudreau will be attached to the minutes. The amount netted from this event is \$1055.55.

*The financial report was not available at the time of the meeting, however **the financial report did present some challenges for the treasurer and the report submitted will require some clarification** by David or Cathy Balla-Boudreau.*

*A discussion of the event as well as the financial report submitted, **revealed that a good debriefing session is needed in the near future to discuss some of the issues that occurred.***

Some items of concern are as follows;

- a. **Paying money out without a paper trail.***
- b. **Paying some and not others***
- c. **Free meals***
- d. **Confusion on ticket prices***
- e. **Confusion on food orders – ordered ahead***
- f. **Equipment left in hall overnight – no pre arrangement re liability"***

In addition to operational challenges which were discussed in length at the wrap up of April 13, there were more significant issues which need to be addressed. We recognize that it is easy after the fact to go back and pick apart what has been done. That is not the purpose of this. The purpose is to prevent any of these errors from recurring in the future.

When decisions are made as a committee, the experience of others can identify and correct potential for error or challenges. When decisions are made in a silo, problems occur.

Items which have to be followed by all committees and sub-committees; **these must be followed.**

1. No funds can be paid out to anyone, for any reason without a paper trail for the municipal auditor. (This is through the Treasurer. No one else has any authority to give money to anyone other than in receipt of goods approved through a budget.)
2. Spending decisions, if not normal and routine, require a (sub) committee discussion and agreement through consensus with a quorum in attendance.
3. If outside (sub) committee areas of responsibility, the recommendations are to be brought to staff and/or Council for approval. (Staff only have certain delegated responsibilities as well.)
4. The Recreation Committee rep needs to ensure that sub-committee meetings are planned in advance and are advertised. (As simple as advising staff to post on the municipal calendar.)
5. Every event must have a completed budget worksheet, with expected revenues and expenses outlined and submitted to the Recreation Committee and/or Council depending on level of approval required.

Through its budget, normal and routine purchases have been authorized by Council to the Recreation Committee. Staff have certain spending authority; anything beyond that needs to go to Council for approval. This is spelled out in the Terms of Reference.

6. Whether an event is a fundraiser or not **is a decision of Council.**

Council has formed the Recreation Committee to host events which will allow it to be self-sustainable. Whether an event is a fundraiser or a community benefit is a decision of Council; unless hosted directly by the Recreation Committee out of profits from other events.

Although it can never be determined if an event will be profitable; unless Council approves otherwise, events will be held with the intent to raise a profit.

Up until this point, Council has authorized Canada Day and New Year's Eve as community benefit events; Council's way of giving back to the community. For Canada Day, council provides a free BBQ and committee members search for grants to offset other costs.

It was decided at the Council meeting in January 2015 that the now annual New Year's Eve celebration is another event where Council is not concerned with making a profit. These are community events hosted by Council.

Unless the Recreation Committee makes a decision to host an event using solely the profits earned from other events, as a community gathering, and not a fundraiser; there is no authority for anyone else to do so.

The statement that St. Patrick's Day was not a fundraiser was a huge surprise to many.

In my original letter to the St. Patrick's Day committee, I expressed that we as staff failed to provide explicit direction. In hindsight a more direct correlation between the budget document and plans should have been provided to all Recreation Committee members. That is what this report is attempting to do.

Initially, the budget document prepared by staff with input from the Recreation committee spells out certain council approvals. As an example: for Canada Day, revenues are listed at \$0, expenses at \$2,500. This means that the Canada Day sub-committee has received pre-approval from both Council and the Recreation Committee, through that budget to spend money on a community event with no expectation of revenues. The individual spending decisions will be by consensus at the committee meetings through a more detailed budget process.

Using the same document, St. Patrick's Day is listed at revenues of \$1,760 and expenses of \$1,200. This shows a Recreation Committee and Council expectation of a profit of \$560; a fundraiser.

Since that budget was created, Council now considers New Year's Eve a community benefit and not necessarily a fundraiser.

7. Decisions are to be made by committee.

The Terms of Reference for the Recreation Committee outline the process for committee decision making, voting and forming a quorum for a meeting.

As an example, there is no evidence that the decision to collect funds at the door, divvy up 100% of the proceeds and offer them to musicians was ever approved by committee. It was not discussed at the Recreation Committee level and was a surprise to many sub-committee members. The February minutes indicate that money was to "contribute to" not specifically designated for. There is a distinct difference.

Committee decisions need to be ratified by a majority of committee members. If there is less than a quorum present at any given meeting; it should be rescheduled. (It should be noted that the minutes from the February 9th meeting only had 4 of 8 members present and should have been rescheduled – no quorum.)

The St. Patrick's Day "Partial Summary Report" received by staff through the Recreation Committee does not list who was at the meeting when it was created or even the date of a meeting; there is no indication if the recommendations etc. contained within were a consensus of committee or not. Was there a meeting?

8. All decisions, especially those involving the charging and collection of money, or recommendations to Council are to be made as a collective, not individually.

In order to provide some terms of reference to the severity of this decision, consider that the Recreation committee is a sub-committee (or department) of Council just as Roads or Waste Management. Imagine if you will, public outcry if it was learned that Terry was delivering gravel from the township pit, in the township vehicle to certain individuals to help with their driveways – only costing \$30 per load. Or perhaps Bill was collecting 2-3 bags of garbage from a neighbour but was making you follow the rules – only \$1/bag. Many members of the public would be irate. This is quite similar.

A decision, which was not validated by committee, either the St. Patrick's Day sub-committee or the Recreation committee, or approved by Council was carried out which expended municipal funds with no authority to do so and no paper trail making Noella's job quite difficult. She is the one who has to spend hours rationalizing what occurred to a form which is acceptable to our auditor. That is her job which makes this more than simply a sub-committee issue.

Is hosting events through the Recreation Committee a learning process? Yes, that is why, after the St. Patrick's Day event in 2014, staff created (and have continuously updated and made easier to use) the budget worksheet to help Recreation committee members and those holding events under municipal authority to ensure that all required revenues and expenses were considered and reported. That is why we have regular committee meetings. That is why staff attend to offer guidance and advice and are always available to answer questions. Each member of the Recreation Committee has been provided with a copy of that document. As part of your responsibility on sub-committees, you are to ensure that it is used; again, hindsight.

Staff feel that this is another place where we dropped the ball and take responsibility for that. Early in the process, we received minutes but not a budget document. That should have triggered us to ask for one OR to provide the template.

The issue of providing free entrance, free food and gas money to volunteers is also an issue which was not decided by committee members as expressed to me by most of them. Can an organizing committee decide to waive entrance fees, provide free food for everybody who volunteered and provide gas money to some people? Yes, **IF** they discuss the issue and decide at the committee level that this is how they are going to proceed.

The names and addresses of those receiving cash for mileage then need to be collected, all door receipts provided to Noella, where she would then write individual cheques to each of those entitled. A record of the number of "free" entrance tickets and meals should also be provided.

It is understood that some volunteers feel insulted if they are asked to purchase entrance tickets or food after spending hours if not days assisting with an event.

It is also understood that some volunteers (including sub-committee members) who spent hours and days on the St. Patrick's Day event paid for their entrance and food. They weren't told that they didn't have to.

Some volunteers feel that their efforts are for the betterment of the community and they do not need a thank you or benefits which others do not receive and feel that everyone should pay their way.

There is also the consideration of amount of volunteer time. Should the same benefit be provided to someone who worked for hours or days as someone who baked and donated a loaf of bread?

I don't have the answer to these questions. They are not for me to answer. The point is that different people have different opinions and that is why decisions on important issues such as these are created by committee; not individuals.

It is OK to discuss some parts of the operation with others. It is OK to gather information outside of committee to bring back to discuss and make decisions. That is how a committee works. What should not happen are decisions being made and then reported back to the committee unless that authority has previously been provided.

9. Equipment left at the hall is not the responsibility of the municipality.

When the Missing Link Snowmobile Club requests of Council that it leave equipment in the hall around the silent auction; they are required to sign a waiver of liability. HCM does not need the added responsibility of assuming liability for personal property and has stated this in it's hall rental contract on the advice of our insurer. In future, please refrain from inviting volunteers to leave their equipment/personal belongings in the hall overnight.

10. Floats are a municipal responsibility and will be discussed in more detail in the future.

It is staff recommendation that one float is provided and the system of tickets is re-introduced. One person would be responsible for the float. Tickets would result in less change being required. Different coloured tickets would be provided for different purposes, food/alcohol and/or door. Simple.

Does any of this matter? Not if everyone has a good time and members of the public do not realize what has occurred; or if someone is not offended because they have been treated differently than others; or if the auditor does not decide to take a closer look into the finances of a committee. Or if nothing gets damaged or stolen.

But when something goes wrong, who will be held responsible? Staff who allowed events to occur without proper procedure being followed? Likely. Council who spent money on things that some ratepayers didn't like? Maybe.

HCM staff take their jobs seriously and would like to ensure that Council's policies and procedures are followed. Council members take their jobs seriously and ensure that policies and procedures are created to be followed. They are legislated to do so.

In future, it is staff recommendation that a list of sub-committee members be appointed by the Recreation Committee and advised on a list of specifics that they have the authority to make decisions on. Any topic outside of that list will have to come back to the Recreation Committee and possibly through them to staff and/or Council depending on the topic. With Recreation Committee and council meeting only monthly, this will mean that anyone planning an event will have to take a long-term look at it so that proper procedure might be followed.

This might seem tedious but will ensure that all involved will slowly learn the rules and improve the chances that Council policy might be followed.

Staff along with Recreation Committee members will create such a list for future use. If you have any suggestions which are not included in this report; please forward to Gayle.

If you have any questions; please ask.

Others Consulted:

Mayor Gibson, Noella LeBreton, Gayle Watters, John Reith, Councillor Grills, Marlene Gibson, Linda Chartrand, Recreation Committee minutes