

SAUGEEN MOBILITY

and REGIONAL TRANSIT

SPECIAL BOARD MEETING MINUTES

Friday, April 8, 2022, 1:30 p.m.

Board Members Present: Councillor Warren Dickert, Town of Hanover Councillor, Board President
Councillor Beth Hamilton, Municipality of West Grey, Board Vice-President
Vice Deputy Mayor Mike Myatt, Town of Saugeen Shores, Board Past President
Councillor Dave Cuyler, Municipality of Kincardine
Councillor Doug Bell, Municipality of Arran-Elderslie
Councillor Jim Frew, Township of Southgate
Councillor Dean Leifso, Municipality of Brockton
Mayor Scott Mackey, Township of Chatsworth
Councillor Ed McGugan, Township of Huron-Kinloss

Board Members Absent: None

Guests Present: Kelsey Wepler & Troy Nieuwenhoff, BDO Canada

Others Present: Catherine McKay, Recording Secretary

The meeting was conducted by videoconference in light of the COVID-19 pandemic.

1. Call to Order

President Warren Dickert called the meeting order at 1:30 p.m..

2. Disclosure of Pecuniary Interest and Declaration of Conflict of Interest

None declared.

3. Approval of the Agenda

Motion #2022-016

Moved by Dean Leifso; Seconded by Dave Cuyler

That the agenda for April 8, 2022 be amended to add item 9I, Banking Information Update and that the agenda be accepted as so amended.

Carried

4. Auditor Report

The President introduced Ms. Wepler and Mr. Nieuwenhoff, who conducted the 2021 audit. Ms. Wepler noted that the financial statements had been distributed to Board members earlier in the day and she shared them on screen. She reviewed the Statement of Financial Position on page 4, noting changes from 2020 including a decrease in grants from 2020 and the change in Liabilities under Bank Indebtedness due to a timing issue. In the Statement of Operations on page 5, she highlighted the increase in revenues, noting the \$37,094 in Other Revenue received from the province for enhanced cleaning expenses related to COVID. She reviewed the expenses, noting that both wages and fuel expenses increased due to an increase in riders. On pages 6 and 7, she noted the \$113,137 in bank indebtedness which is the result of the timing of receiving funds and paying them out. In the Notes to the Financial Statements, Ms. Wepler highlighted the doubtful accounts which increased, but are not concerning. She further noted that the 2021 municipal contributions decreased by \$100,000 from 2020.

Ms. Wepler also showed on the screen the management letter to SMART noting that there were 19 adjusting journal entries and pointing to BDO's suggestions in three areas. First, it was noted that one staff member is doing all the steps in electronic fund transfers, including setting up the transfers and releasing the funds. Second, the HST adjusting accounts should be reviewed, and third, bank reconciliations should be reviewed to confirm amounts that are truly outstanding.

Ms. Wepler thanked SMART for its cooperation in preparing the statements and indicated that she will send the final package including the management letter.

Dean Leifso suggested that the Board convene in closed session to discuss a note in the Auditor Report.

In Camera Session

Motion #2022-017

Moved by Dean Leifso; Seconded by Beth Hamilton

That the Board of Directors of SMART move into Closed Session at 1:47 p.m. to discuss personal matters about an identifiable individual.

Carried

Ms. Wepler, Mr. Nieuwenhoff and the Recording Secretary remained for the in camera session.

The Board of Directors of SMART reconvened in open session at 1:55 p.m. and the President confirmed that the Board had gone in closed session and discussed personal matters about an identifiable individual and that no other matters were discussed.

The Board continued the discussion of item 4. Auditor Report. Ms. Wepler confirmed that she would get back to the Board concerning the issue raised in the closed session.

The President noted that the management letter does not mention Southgate's intention to leave the SMART partnership in 2023. Ms. Wepler explained the notice required to leave the partnership. It was confirmed that Chatsworth had indicated its intention to leave, but that Southgate had not. Board Member Jim Frew confirmed that the Mayor of Southgate stated an intention to continue in the partnership. Ms. Wepler agreed to change the management letter to reflect the fact that no notice had been received from Southgate.

As set out in note 8 to the statements, Ms. Wepler noted that SMART has contractual commitments related to three buses to be purchased with gas tax and ICIP funds. It was suggested that this purchase was to be covered by a three way split amongst the federal and provincial governments and gas tax funds. Ms. Wepler is to clarify this point.

It was noted that the report refers to the Public Sector Salary Disclosure Act in note 7 and in response to a question whether SMART is a public sector organization, Ms. Wepler confirmed that it is. Mr. Nieuwenhoff confirmed that since SMART follows municipal accounting standards, the salary disclosure rules therefore apply, and as a result the item is included in the notes. The President noted SMART is incorporated as a not-for-profit organization and whether it is considered to be in the public sector has been somewhat of a grey area. Mr. Nieuwenhoff confirmed that SMART has to disclose salaries of \$100,000 or more, and added that SMART's financial statements get consolidated into the financial statements of the municipalities based on the percentage of their contributions, and therefore the same accounting standards have to apply, even though SMART is not-for-profit.

The Vice-President thanked Ms. Wepler and Mr. Nieuwenhoff for going over and above in their work and Board Member Dean Leifso for raising the point in the notes. It was agreed that the outstanding issues regarding the audited statements would be revisited the Board's next meeting on April 22, 2022. Ms. Wepler agreed that this is manageable and it may extend the length of the audit. Ms. Wepler and Mr. Nieuwenhoff left the meeting at 2:04 p.m.

5. Minutes of Previous Meetings

The President reviewed highlights of the meeting minutes, and the Vice-President noted that work on the strategic plan has been paused and that she is working on it along with Board Member Ed McGugan.

The plan will come back to the Board in late spring. Ed McGugan added that he developed a framework for a Client Advisory Policy which has been forwarded to the President and the Executive.

A. Minutes of the January 28, 2022 General Board Meeting

Motion #2022-018

Moved by Mike Myatt; Seconded by Ed McGugan

That the Board approve and adopt the minutes of the January 28, 2022 General Board Meeting as circulated.

Carried

B. Minutes of the February 18, 2022 Special Board Meeting

Motion #2022-019

Moved by Scott Mackey; Seconded by Dean Leifso

That the Board approve and adopt the minutes of the February 18, 2022 Special Board Meeting as circulated.

Carried

C. Minutes of the March 22, 2022 Special Board Meeting

Motion #2022-020

Moved by Doug Bell; Seconded by Beth Hamilton

That the Board approve and adopt the minutes of the March 22, 2022 Special Board Meeting as circulated.

Carried

D. Minutes of the March 29, 2022 Special Board Meeting

Motion #2022-021

Moved by Dave Cuyler; Seconded by Jim Frew

That the Board approve and adopt the minutes of the March 29, 2022 Special Board Meeting as circulated.

Carried

6. Business Arising from the Minutes

Business arising from the minutes is covered in item 9.

7. Correspondence

A. Letter from Trillium Home LOBA

The President agreed to send an acknowledgement in response to the donation.

8. Manager's Reports and Recommendations

A. 2022-05 2022 Annual

The Vice-President noted that she had provided feedback on the report and suggested alternate wording.

Motion #2022-022

Moved by Mike Myatt; Seconded by Ed McGugan

That Report 2022-05 2021 Annual be amended as follows: the first paragraph to be replaced with "Like all transit services, SMART's ridership and user fee revenue continued to be hit hard by the Covid-19 pandemic. Several times ridership began to recover only to be reduced again when the pandemic required further restrictions. Nonetheless, SMART has navigated the challenges of the pandemic well and despite reduced ridership remains sound financially." and on page 2 following

the paragraph referring to the attached vehicle list, the following paragraph is to be added: "In response to client concerns, SMART added service to Friday and Saturday evenings." and be approved as so amended.

Carried

B. 2022-06 January 2022 Operational

Motion #2022-023

Moved by Dean Leifso; Seconded by Scott Mackey

That Report 2022-06 January 2022 Operational be approved as presented.

Carried

C. 2022-07 February 2022 Operational

Motion #2022-024

Moved by Beth Hamilton; Seconded by Dave Cuyler

That Report 2022-07 February 2022 Operational be approved as presented.

Carried

D. 2022-08 Rural Transit Solutions Fund

The President noted that the deadline to apply for this funding was the date of the meeting and no application was made.

9. Committee Reports and New Business

A. Policy Sharing

The Board discussed the possibility of the municipalities sharing policies and Beth Hamilton said that the Elmwood Community Centre Board decided to align its policies with the Municipality of Brockton and this could be an option for SMART to align its policies with one of the nine municipalities. It was agreed that each Board member would approach their CAO for their perspective, as individual Councillors cannot direct a CAO. The President noted that Board members will make requests and the item will be followed up at a future meeting.

B. Memorial Tree

Staff organized a fund raising for a tree memorial in memory of a staff member who recently passed away. The Board discussed contributing towards the fund, although it was noted that SMART does not have a policy regarding memorial donations. Board members will individually ask their CAOs for details on their municipal policies and report back at a future meeting.

Motion #2022-025

Moved by Dave Cuyler; Seconded by Beth Hamilton

That this item be deferred to the Board's April 22, 2022 meeting.

Carried

C. Replacement Van

The President explained that the vehicle damaged in a recent accident has been written off. If it is not replaced, as set out in the email from Chris Walker, Director of Corporate Services/Treasurer of the Town of Hanover, SMART would have to return \$37,498 of the insurance money to the federal/provincial governments for the ICIP funds used to purchase it.

D. Dispatcher

Recruitment of a Scheduler/Dispatcher is currently in transition, although the job was posted at a job fair. Beth Hamilton advised that there is no recommendation on the matter at this time.

E. Bruce County Update

The President advised that there is no update on this item.

F. Media Relations Policy

This item was deferred to a future Board meeting.

G. Board and Employee Meetings Policy

This item was deferred to a future Board meeting.

H. Open Board Meetings Policy

This item was deferred to a future Board meeting.

I. Banking Information Update

Motion #2022-026

Moved by Scott Mackey; Seconded by Dean Leifso

That Beth Hamilton be designated as a signing authority on SMART's accounts at RBC and Meridian and that she be the official holder of the SMART Visa card.

Carried

10. Closed Session

Motion #2022-027

Moved by Mike Myatt; Seconded by Doug Bell

That the Board of Directors of SMART move into Closed Session at 2:40 p.m. to discuss personal matters about an identifiable individual.

The Board of Directors of SMART reconvened in open session at 3:49 p.m. and the President confirmed that the Board had gone in closed session and discussed personal matters about an identifiable individual and that no other matters were discussed.

Motion

Moved by Ed McGugan; Seconded by Dave Cuyler

That the Board of Directors of SMART adjourn at 3:49 p.m.

Carried



Warren Dickert, President



Catherine McKay, Recording Secretary