



Municipality of the District of Argyle

Item: Regional modernization of subsidiary organizations

Date: December 19, 2025

CAO'S RECOMMENDATION:

That Council support continued exploration of a modernized regional service structure and authorize CAO's to apply for Provincial Municipal Innovation Program funding.

SUGGESTED RESOLUTION:

WHEREAS: The three municipalities in Yarmouth County share ownership in multiple organizations via intermunicipal agreement.

WHEREAS: These organizations deliver complex services to the region, with staffing, HR and other services varying significantly from organization to organization.

WHEREAS: The municipalities have identified the need for consistent application in financial reporting HR policies, governance policies and other services, which cannot be delivered with current service levels.

WHEREAS: These organizations are also entering into significant growth, accessing additional funding from other sources of government for major capital projects.

WHEREAS: The municipal Chief Administrative Officers, elected officials and staff are currently asked to support these organizations, including but not limited to decision making, corporate services, IT etc, and the organizations' growth will require more support than can be offered at the municipal level.

WHEREAS: Staff at the Department of Municipal Affairs led a discussion between the three CAO's that further confirmed and clarified the need to modernize and strengthen our regional organizations.

WHEREAS: The regional organizations subject to modernization were identified as the Yarmouth Area Industrial Commission, the Yarmouth International Airport Corporation, the Mariners Center Management Authority and the Yarmouth County Solid Waste Management Authority.

WHEREAS: The Yarmouth County CAO's jointly presented their findings to elected officials at a regional discussion, obtaining important feedback and questions.

WHEREAS: The regional elected officials agreed that further work is required to determine a better path forward.

BE IT THEREFORE RESOLVED THAT:

The Council support continued exploration of a modernized regional service structure.

That Council authorize its CAO to engage with the other two CAO's from Yarmouth County to agree on approach

That the CAO be authorized to apply, jointly, to the Provincial Municipal Innovation Program funding, with a February 2026 deadline.

BACKGROUND:

The discussion on improved regional governance and operations was an ongoing discussion, with growing frustrations at the municipal level on the time and effort required to assist these organizations in times of crisis, or in support of major capital projects.

As a brief illustration, over the course of 18 months, the organizations required assistance from municipal senior staff in the following areas:

- Planning for Mariners Center expansion
- HR replacement for absence in key Mariners management positions
- Negotiate and establish contracts for recycling storage services for waste park
- Apply for and establish provincial borrowing for the most recent transfer station project
- Advocacy for federal support for runway repair.

These projects required considerable effort from staff that are already engaged in their own work. The work was performed in the best interest of the region but is dependent on the will and availability of municipal staff.

Our regional municipal corporations provide important services to the region, yet they do not have access to staff and resources comparative to the municipal units.

The significant needs of these organizations are many, but generally grouped in the following areas:

Corporate services and accounting – Each regional organization requires corporate services support that isn't reliant on municipal units to deliver. The corporate services would be delivered consistently for the included organizations .

Governance and board support – Our regional organizations have solid management staff. Including in many managers' roles is preparation and presentation of critical information for decision making. All organizations would benefit from additional support in preparing and participating in a meeting for elected officials. Furthermore, and in good intention, each organization has its own board of directors. Unfortunately, we have grown to the point where the governing bodies have become large and at times inefficient. A proper study on governance should be undertaken.

Policy, planning and HR – each organization has its own set of policies, including HR policies, with no alignment with other organizations or even with the municipal owners. This has resulted in a Helter skelter of procedures, compensation models, HR regulations etc. A single policy development for all 4 organizations would simplify operations, provide consistency across municipally owned organizations and potentially increase morale for staff.

For more observations and comments on the current status of the municipal organizations, please refer to the PowerPoint document as presented to the regional group of elected officials. The province has been involved from the beginning, which significantly increases our probability of obtaining provincial

funding in support of this initiative. MIP applications are scored higher when the innovation is regional. We have a strong history of working together, which gives us a competitive advantage in obtaining federal and/or provincial funding.

REQUIRED ENGAGEMENT AND COMMUNICATION:

First and foremost, the organizations boards and senior staff should be engaged to understand that the owner municipalities are looking into improving the operations of the four. Much of this work will come with questions, perhaps concerns that they are not performing as required. This work is about alignment and increased efficiency, as well as reducing the burden on municipal senior staff and councillors.

Recommend that the senior staff and select board members be engaged in the process in order to identify their issues as well as ours.

MGA CONSIDERATIONS:

The four organizations have been struck via intermunicipal agreements, which is enabled under the MGA. Restructuring such organizations would be an eligible municipal expense if budgeted. Since the work wouldn't begin until April 1, 2026, councils could budget their contribution to this work.

FINANCIAL CONSIDERATIONS:

While MIP funding is likely, it is limited to up to 80% of the cost of the project. The municipalities would have to cover the remaining 20%. Also, the recommendations coming from that work would likely result in increased staff costs.

What isn't known is the potential savings that would be uncovered by dedicated staff in financial accounting or other areas.

ALTERNATIVES TO CONSIDER:

Status quo is an option. There were stated concerns around reducing control from the elected officials at each of the municipal units. The structure would have to respect the independence of the three units and their willingness to invest, or not, in those regional organizations. Interests of local municipalities must be respected in this process.

ATTACHMENTS:

Power point presentation

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