

# Briefing Note

<b>To:</b>	Truro Town Council
<b>From:</b>	Mike Dolter, Chief Administrative Officer
<b>Date:</b>	January 12, 2025
<b>Re:</b>	RECC and CNSCCS Governance and Public Engagement Summary

## **Overview:**

On December 11, 2025, Truro Town Council received a presentation detailing the recent history and governance challenges at the Rath Eastlink Community Centre (RECC) and the management of the Nova Scotia Provincial Exhibition (NSPE) Grounds through the Central Nova Scotia Civic Centre Society (CNSCCS). The RECC, jointly owned by the Municipality of Colchester and the Town of Truro, has operated under a series of evolving agreements since 2013, with amendments in 2018 and 2023 expanding its mandate.

Between 2022 and 2025, concerns emerged regarding financial reporting, compliance, and unauthorized management decisions. Specifically, a series of contracts was entered into without proper board or municipal approval, resulting in escalating financial and operational risks. Technical reviews highlighted deficiencies in the proposed agreements, and repeated requests from the municipalities for clarity and transparency were not adequately addressed.

In response, the municipalities intervened in May 2025, dismissing the original board and appointing an interim board to resolve the contract issues. By October 2025, the Municipality of Colchester issued notice to terminate the Operating Agreement, and the NSPE contract was also cancelled.

## **Key Issues Identified**

The breakdown in governance was attributed to:

- Lack of transparency and communication between management, the board, and the municipalities.
- Management entering into unauthorized agreements, exposing the municipalities to significant financial risks.
- Delayed and unclear separation of finances between the RECC and NSPE.

## **Council's Response and Next Steps**

To address these issues, the Town of Truro, in collaboration with the Municipality of Colchester, began considering changes to the governance structure of the RECC. Drawing on governance models from similar facilities in other communities. Council proposed continuing with the current

Society, but amending its structure so that all Directors would be members of Truro Town Council or the Municipality of Colchester's Council. Proposed changes included:

- Setting the number of directors at six (three from each municipality)
- Establishing a Citizen Advisory Committee to make recommendations to the board
- Amending management structure to require regular board meetings and reporting, with a management team consisting of the two CAOs and the RECC General Manager.

During the Special Council Meeting, Council members emphasized the importance of public input in shaping the future governance model. As a result, Council passed a motion directing staff to engage with the Municipality of Colchester, consider amendments to the Society's Bylaws, and conduct public engagement, including receiving input from the RECC CEO, before reporting back with recommendations.

### **Public Engagement Process**

The public engagement process was initiated to ensure transparency, accountability, and alignment with municipal expectations. Residents and stakeholders were invited to provide feedback on the proposed governance changes, share their concerns, and suggest improvements. The engagement included an online survey, which ran from December 22 to January 5.

Results from the public engagement process are outlined below, and a digital file of all individual responses has been provided to the Town Council.

### **Data Analysis Methodology**

Survey response data was imported and analyzed using Microsoft Copilot's advanced data processing capabilities. The analysis included the following steps:

- **Data Ingestion:** The raw survey data was uploaded and read directly into Copilot, allowing for efficient handling of large datasets.
- **Normalization:** Yes/No responses and other categorical data were standardized to ensure consistency across all entries.
- **Quantitative Analysis:** Copilot calculated response counts and percentages for key questions, enabling clear visualization of trends and proportions.
- **Thematic Coding:** Free-text comments were grouped into major themes using keyword detection and pattern recognition, highlighting recurring topics and concerns.
- **Summary Reporting:** Key findings and representative comments were synthesized into concise summaries, providing actionable insights for decision-makers.

This approach ensured that the analysis was thorough, transparent, and reproducible, leveraging Copilot's automation and AI-driven insights to support evidence-based recommendations.

### **Public Engagement Overview:**

### **Consolidated Summary**

Below is a consolidated, high-level summary of the public engagement results organized by survey question, highlighting the most noted responses, recurring themes, and key comments expressed by residents.

The dataset contains 385 individual responses across three primary Yes/No questions, plus extensive written comments. Responses exhibit strong engagement with governance (board vs. advisory), financial controls, accountability, and the balance between municipal oversight and community expertise.

## **Question 1 — “How can the Town of Truro improve governance at the RECC to reduce financial risk and protect taxpayers from additional costs?”**

Using the free-text responses (385 entries), the most frequent themes were:

### **Board & Governance Structure (appeared in approx. 56% of responses):**

Residents argue for a mixed, skills-based board that includes independent community directors with fiduciary responsibility, not just advisory capacity. They want clear role separation (Board vs. management vs. municipal owners), updated bylaws/operating agreements, and governance-specific training (risk oversight, approvals, delegation of authority).

The view is that structure and execution (including training and controls) will lower risk, rather than a wholesale shift to a councillors-only board. Many comments argued that governance execution and oversight practices, and not the mixed composition, were the root issue. Respondents asked for governance training for all directors and board best-practice adherence.

### **Financial Controls & Transparency (appeared in approx. 39% of responses):**

Residents repeatedly called for clear approval thresholds, contract signing authorities, procurement policies, regular financial reporting, and independent audits as the right levers to reduce risk, without eliminating functional governance that includes citizens. Respondents asked for more transparent board minutes, regular, public financial updates, clearer role separation between Council, Board, and management, and timely reporting (including specific visibility into RECC vs. NSPE finances).

### **Role of Elected Officials and CAOs (appeared in approx. 34% of responses):**

Many urge that municipal oversight should be present, but direct operational governance solely by councillors risks politicization and short-term horizons. Residents prefer limited municipal seats on the board, complemented by independent experts (finance, legal, HR, facilities, event operations). CAO participation is seen as beneficial in management oversight, but there's concern about conflicts if CAOs simultaneously hold board authority (votes) and operational gatekeeping.

### **Events, the NSPE & Economic Impact (appeared in 31% of responses):**

A substantial number of respondents credit recent events for economic spin-off, tourism, visibility, and community pride. They caution that over-correcting governance could jeopardize event attraction (and related revenue). Others counter that the RECC should not be stretched to run the NSPE/exhibition grounds and should focus on the core wellness facility, with formalized coordination where needed. Adding to this argument, many felt that, since the RECC has taken over management of the NSPE, the RECC has suffered as a result.

**Leadership & Management Accountability (appeared in 31% of responses):**

Views diverge on this topic. Many called for disciplinary action for management or leadership, while others called for changes to support existing staff and an emphasis on clear performance expectations for the GM/CEO under well-defined controls and reporting. What unifies both views is the demand for accountability attached to authority for management and those in decision-making roles.

**Citizen Voice & Voting Power (appeared in 23% of responses):**

Residents want citizen representation with voting rights at the board (not only an advisory committee), arguing that advisory groups without authority don't ensure influence or accountability.

**Facility Condition & Maintenance (appeared in 17% of responses):**

Persistent concerns about deferred maintenance at the RECC (roof leaks, climate control in pool/gym areas, showers, parking) were raised. Several recommend dedicated budgets for capital upkeep, routine audits of physical systems, and transparent tracking of maintenance backlogs. Several comments related to this topic were from current/former staff and facility users.

**Question 2: “Does a Citizen Advisory Committee allow citizens to have a voice in RECC governance?”**

What residents said in Yes/No terms:

Yes: 46.49% (179 of 385)

No: 51.17% (197 of 385)

The split is close, with a slight majority saying a Citizen Advisory Committee does not sufficiently give citizens a voice in governance.

The most common themes are as follows:

**Citizen Voice & Voting Power (this was the dominant theme across Q2 comments):**

Respondents worry a Citizen Advisory Committee would be symbolic if it cannot vote or bind decisions and they want board-level voting rights for citizens so their input has teeth. There was tokenism concerns outlined and a frequent critique noted was that an advisory committee would

be non-binding and non-voting, so their recommendations may be acknowledged but ignored. Residents worry that an advisory structure creates a “voice without power.”

Some “Yes” responders support a Citizen Advisory Committee if it is well-designed (transparent mandate; diverse representation across user groups; clear feedback loops; published responses to recommendations). Skeptics caution that without expertise (finance, legal, events, facilities) and authority, a committee may stall or disengage.

Supporters outline that a Citizen Advisory Committee could surface user needs (aquatics, climbing, rink, fitness, accessibility), while governance remains with a voting board that includes qualified community members.

#### **Board & Governance Structure:**

Many recommend citizen seats on the board (not just advisory) and balanced membership (municipal + independent), ensuring expertise diversity (finance, legal, events, facilities, wellness). Many argue that citizens need actual board seats with votes and fiduciary responsibility to ensure real influence on policy, budgets, strategy, and contracts.

#### **Role of Elected Officials and CAOs:**

Residents caution that a councillors-only board could ignore advisory input and citizens prefer shared governance or arm’s-length structures to avoid politicization and ensure continuity beyond election cycles.

#### **Leadership & Management Accountability & Financial Controls:**

Several note that genuine citizen voice must be paired with transparent reporting and enforceable controls (related to leadership, management and finances), otherwise advisory input may not shape outcomes.

### **Question 3: “Will the governance model under consideration address municipal concerns and ensure strong governance of the RECC?”**

What residents said in Yes/No terms

Yes: 20.52% (79 of 385)

No: 76.88% (296 of 385)

A clear majority indicated that the proposed model (board of councillors with a citizen advisory committee) will not address concerns or ensure strong governance.

Common themes weighted by “No” respondents are below (The question was outlined that if respondents answered “No” to Question 3, they were asked to please provide comments):

#### **Board & Governance Structure (most frequent responses):**

The prevailing concern is that a board composed solely of councillors lacks the specialized competencies (finance, legal, HR, asset management, events) and creates political risk (short-term, conflicts of interest, stalemates). Residents favour skills-based boards with citizen voting seats.

#### **Role of Elected Officials and CAOs:**

Many are uncomfortable with CAOs and elected officials holding operational influence and board authority. Suggested mitigations include limiting municipal seats, excluding CAOs from voting positions, or confining CAO roles to management liaison/oversight committees. Residents worry about election cycles, turnover, and conflicts of interest, which can undermine long-term planning, strategic consistency, and timely decisions, especially for time-sensitive event contracts.

#### **Leadership & Management Accountability:**

Even those critical of management want structured performance management (KPIs, annual evaluations, contract compliance checks) embedded in the governance framework rather than relying solely on board composition changes. Recurring recommendations include clear delegations of authority, contract thresholds, mandatory legal/financial review, regular public reporting, independent audits, and board governance training. It was felt that these are the mechanics needed to improve accountability regardless of composition.

#### **Citizen Voice & Voting Power:**

Residents argue advisory-only citizen involvement does not provide a meaningful voice, so municipal concerns about accountability aren't balanced by independent scrutiny at decision time.

#### **Financial Controls & Transparency:**

As outlined in previous questions, there is a strong response that controls and reporting, not just composition, will lower risk. In doing so, it is important to separate financials, conduct regular audits, release quarterly reports, establish contract thresholds, and outline risk classification with escalation protocols.

#### **Operational Clarity and Landlord Duties:**

Respondents emphasize that Town and County, as owners, should ensure facility capital maintenance and asset management (roof, HVAC/multistack, pool clock, arena, insurance) are handled proactively, while operational contracts and events follow transparent approval and reporting.

### **Cross-cutting Insights**

Across all questions and comments, several consistent, cross-cutting insights stand out.

#### **1) Residents prefer governance reform over governance replacement**

Most respondents frame the risk problem as governance execution (controls, transparency, clarity, training) rather than the presence of citizen directors. They advocate for preserving community expertise at the table and tightening oversight. A councillors-only board is widely viewed as increasing political risk and reducing practical expertise.

## **2) Make citizen input consequential**

There's broad skepticism that a Citizen Advisory Committee without voting power meaningfully changes outcomes. If the committee is created, residents want formal mechanisms for the board to consider and respond to recommendations. However, the prevailing theme was that respondents want voting citizen directors seated on the board.

## **3) Establish a robust control environment**

Irrespective of board composition, residents call for:

- Written delegation of authority (with dollar/term thresholds)
- Two-signature rules (e.g., GM + finance authority)
- Financial/legal review for significant commitments
- Public quarterly financials, RECC vs. NSPE split, and event ROI
- Independent annual audits, plus regular risk reporting to Councils

These tools are seen as non-negotiable for reducing financial risk.

## **4) Clarify and separate RECC vs. NSPE operations**

Many respondents explicitly request clear separation of operations, finances, management teams, and governance scopes. Where collaboration exists (e.g., events using both sites), residents want transparent agreements and post-event outcome reporting.

## **5) Balance agility for events with oversight**

Respondents caution against governance that slows or blocks event attraction. Events were seen by many as essential for economic spin-off and community vibrancy. They prefer defined delegated authority and time-bound approvals that allow management to act while documenting risk and reporting back.

## **6) Address facility maintenance & user experience**

Residents cite leaks, HVAC/climate issues, pool glare/noise, shower repairs, parking, and cleanliness. They recommend dedicated capital planning, maintenance audits, and user-group representation (swim team, hockey, climbing, fitness) to ensure front-line issues feed into governance priorities.

## **Supportive and Non-Supportive Responses:**

This section summarizes survey responses by grouping participants according to their stance on the current approach presented at the Special Council Meeting on December 11<sup>th</sup> (those who

support it and those who oppose it). For each question, we provide an overview of the proportion of respondents expressing support or opposition, along with a summary of their key opinions.

## **Supportive Responses: Summary & Key Reasons**

This section outlines the analysis of respondents who supported the approach outlined to Council during the December 11<sup>th</sup> Special Meeting.

### **Question 1: “How can the Town of Truro improve governance at the RECC to reduce financial risk and protect taxpayers from additional costs?”**

A small number of respondents explicitly supported the approach outlined in Question 1 (which framed the need to improve governance and reduce financial risk, often interpreted as favouring increased municipal oversight and structural change).

Main reasons for support:

- **Accountability to taxpayers:** Supporters emphasized that elected officials are directly accountable to the public and therefore should have greater oversight of contracts, finances, and operational decisions. They felt this would reduce the risk of unauthorized spending and ensure public funds are protected.
- **Need for stronger financial controls:** Many cited the importance of implementing clear contract approval limits, regular financial reporting, independent audits, and documented procurement policies. They believed these measures would help prevent future governance failures and protect taxpayers.
- **Desire for transparency:** Supporters wanted more transparent processes, including public access to financial statements, board minutes, and decision-making rationales. They felt that increased municipal involvement would lead to better transparency.
- **Belief in municipal expertise:** Some respondents expressed confidence that municipal staff and elected officials have the necessary skills and resources to manage large public facilities, especially when compared to volunteer boards.

### **Question 2: “Does a Citizen Advisory Committee allow citizens to have a voice in RECC governance?”**

About 46% of respondents answered “Yes” to the question of whether a Citizen Advisory Committee allows citizens to have a voice in RECC governance.

Main reasons for support:

- **Structured mechanism for public input:** Supporters saw the committee as a formal way for citizens to share their perspectives, concerns, and recommendations with the Board. They believed this would improve communication and ensure community needs are considered.

- Representation of diverse user groups: Many felt that a committee could bring together voices from different facility users (e.g., aquatics, fitness, events), ensuring that decisions reflect the needs of the broader community.
- Transparency and feedback: Supporters wanted the committee to have a clearly defined mandate, transparent processes for submitting recommendations, and formal consideration by the Board. They believed this would help build trust and accountability.
- Complement to governance: Some saw the committee as a valuable complement to a skills-based board, providing lived experience and community engagement without necessarily holding decision-making authority.

### **Question 3: “Will the governance model under consideration address municipal concerns and ensure strong governance of the RECC?”**

About 21% of respondents answered “Yes” to the question of whether the proposed governance model (board of councillors with a citizen advisory committee) will address municipal concerns and ensure strong governance. While the question did not ask for comments from “Yes” respondents, many provided comments.

Main reasons for support:

- Direct accountability: Supporters believed that a board composed of elected officials would be more accountable to taxpayers and municipal policy, reducing the risk of unauthorized decisions and financial mismanagement.
- Clear separation of roles: Many felt that the proposed model would clarify the separation between governance (Board) and operations (management), leading to better oversight and more effective decision-making.
- Regular reporting and oversight: Supporters valued the requirement for regular Board meetings, transparent financial reporting, and independent audits, seeing these as essential for strong governance.
- Belief in the effectiveness of elected officials: Some respondents expressed confidence that councillors, as representatives of the community, are best positioned to make decisions about public assets and ensure that the facility serves the interests of residents.

### **Not Supportive Responses: Summary & Key Reasons:**

This section outlines the analysis of respondents who did not support the approach outlined to Council during the December 11th Special Meeting.

### **Question 1: “How can the Town of Truro improve governance at the RECC to reduce financial risk and protect taxpayers from additional costs?”**

The overwhelming majority of respondents did not support the approach outlined in Question 1 (which was generally interpreted as favouring increased municipal oversight and structural change).

Main reasons for opposition:

- **Loss of community expertise:** Many felt that removing community directors from governance would eliminate valuable skills in finance, law, HR, event management, and operations. They argued that elected officials alone lack the necessary expertise to manage a complex facility.
- **Politicization and short-term thinking:** Respondents worried that a board made up solely of councillors would be subject to political cycles, conflicts of interest, and decisions driven by election timelines rather than long-term facility needs.
- **Tokenism and lack of real citizen voice:** There was strong concern that advisory committees or non-voting roles for citizens would give the appearance of engagement without actual influence.
- **Preference for a hybrid, skills-based board:** Many advocated for a balanced governance model with both municipal and independent community directors, each with voting rights and fiduciary responsibility.
- **Distrust in the rationale for change:** Numerous comments questioned whether the governance structure was truly the problem, suggesting that issues stemmed from poor oversight, lack of transparency, or mismanagement by both councils and management, and the focus should not be on the board composition itself.
- **Economic and community impact:** Respondents cautioned that reducing community involvement could jeopardize successful events, partnerships, and economic benefits for Truro and Colchester.

## **Question 2: “Does a Citizen Advisory Committee allow citizens to have a voice in RECC governance?”**

A slight majority (about 51%) answered “No” to the question of whether a Citizen Advisory Committee allows citizens to have a voice in RECC governance.

Main reasons for opposition:

- **No voting power and therefore no real influence:** The most common reason was that advisory committees are non-binding and non-voting, so their recommendations can be ignored by the board. Many saw this as a way to pacify the public without giving them actual authority.
- **Need for substantive representation:** Respondents argued that citizens should have voting seats on the board, not just advisory roles, to ensure their perspectives shape decisions on budgets, policies, and operations.
- **Concerns about expertise and continuity:** Many felt that a committee would not attract the necessary talent or expertise, and that meaningful governance requires skilled, experienced community members with decision-making rights.

- Distrust in process and motives: Some saw the committee proposal as a way for councils to maintain control while appearing to consult the public, leading to skepticism about the sincerity of engagement.
- Preference for direct board involvement: The majority wanted a hybrid board with both municipal and community voting members, believing this would better balance accountability and expertise.

### **Question 3: “Will the governance model under consideration address municipal concerns and ensure strong governance of the RECC?”**

A strong majority (about 77%) answered “No” to the question of whether the proposed governance model (board of councillors with a citizen advisory committee) will address municipal concerns and ensure strong governance.

Main reasons for opposition:

- Lack of expertise and diversity: Respondents felt that a board composed only of councillors would lack the necessary skills in finance, law, HR, facilities, and event management. They argued that governance should include independent, qualified community members.
- Risk of politicization and instability: Many worried about frequent turnover due to election cycles, short-term decision-making, and conflicts of interest, which could undermine strategic planning and operational continuity.
- Preference for a balanced, skills-based board: The most common alternative proposed was a hybrid board with both municipal and independent community directors, each with voting rights and clear accountability.
- Concerns about transparency and trust: Respondents expressed distrust in the motives behind the proposed changes, citing a lack of transparency, poor communication, and perceived attempts to centralize control.
- Economic and operational impact: Many cautioned that the proposed model could jeopardize successful events, partnerships, and the economic benefits that come from community-driven governance.