

Community centre meeting raises more questions than answers



By Bill Kilpatrick

The first meeting involving the future of the North Hastings Community Centre was held at the Dungannon recreation centre on July 9 at 9 a.m. The meeting was attended by multiple stakeholders from surrounding municipalities along with the multiple clubs and user groups who utilize the facility. The meeting was chaired by Bancroft councillors Wayne Wiggins and Val Miles. Wiggins welcomed everyone pointing out that "This is very important meeting for the future of the North Hastings Community Centre."

Wiggins stated that the purpose of the meeting was to inform all the stakeholders about all the "facts and numbers" and would be followed by "discussion about the future and sustainability of the facility." In terms of moving forward Wiggins said that, "I visualize a future meeting where we can come back and have our staff form a governance model to make this work and we can form a board that will assist in running the facility."

Wiggins seemed to sense that there was some tension around the table so he encouraged people to not shout or point fingers adding, "Hopefully we can move forward in a positive manner as opposed to a negative one. There's a lot of old history around, but that's what it is, history. We have to move forward."

A slide show was prepared by the Town of Bancroft for the meeting and it discussed the prior state of the arena, the history of the arena and the LEAF fitness centre, the financial state of the community centre from 2016 to present, the operations, asset management, maintenance challenges, and next steps.

Councillor Miles began by discussing the prior state of the arena pointing out that there were many former members of the arena commission sitting around the table who could correct her if she was wrong about any of the information she was presenting. Miles sat on the arena commission from 2018 until it was dissolved in 2022. Miles covered the sequence of events that led up the dissolution of the commission and gave some of her thoughts and her perspective as a former commission representative. She covered some of the main issues that the community centre was struggling with regarding accessibility issues, the leaking roof, the impact of the pandemic, the declining number of users, and a general lack of money in their reserves to cover future capital costs.

Miles said by 2023 that the commission was in agreement that something had to be done, "We all said the same things sitting around that table. We felt at that time we were not going to be able to sustain [the community centre] and open the doors the following season?" She said that the motion to dissolve the commission was put to each individual municipality, they agreed to hand it over to Bancroft and she finished, "So, here we stand with the arena in the hands of Bancroft."

The general manager for the Town of Bancroft, Andra Kauffeldt, outlined a brief history of the arena and some of the general communications. While many people have speculated that it was the pandemic that financially impacted the community centre the most, Kauffeldt said that the problems began well before the pandemic, "The arena was in trouble as early as 2016 by their financials. For any body who wants to challenge me on that or see the details I have brought the audited financial statements back to 2016 to show that they were running a deficit since 2016?" Then when the roof needed to be repaired in 2021, recalled Kauffeldt, and "when it became clear to the town that they would be footing the bill for the roof repair, no matter what happened. We asked the commission for a financial plan. [That stated] can you please explain to the town how you're going to maintain this building that we have given you care, custody, and control over for the last half century. We did not get that financial plan," said Kauffeldt. While she was not at the discussions, she believes that it was at that point the commission questioned their ability to maintain the facility.

Kauffeldt also spoke about how the LEAF fitness centre came to be and how it operates separately from the arena. "I hear all kinds of rumours of how we took money and we stole money from the arena? we didn't steal money from the arena. The money was never for the arena." The presentation pointed out that the "grants were specific to the fitness centre and community space improvements on the second floor." She went on to highlight how the operating costs are separate from the arena and showed the 2024 budget for the facility stating, "There is no impact from the operation of the gym on the arena."

In regards to the increased operating deficit, which was a the main concern of many of the stakeholders present, Kauffeldt highlighted the main areas that contributed most to the ballooning deficit: wages, repairs and maintenance, and utilities, insurance and administrative costs. The presentation pointed out that between 2016 and 2021 wages averaged \$110,608.60 annually, however, due to increased staffing when the town began operations, that number rose to \$180,789 in 2023 alone. Between the same time periods repairs and maintenance averaged \$21,714 however in 2023 repairs and maintenance totalled \$114,390 and over that time utilities, insurance, and administrative costs rose from an average of \$106,000 to \$143,052 in 2023.

Despite the numbers coming from independently audited financial statements, Hastings Highlands Mayor, and former Arena Commission representative, Tony Fitzgerald disputed much of what he heard. Fitzgerald could not speak to the numbers he was presented with because, he pointed out, "having not seen an agenda before the meeting, I'm not prepared to discuss those," adding that, "There's all kinds of stuff there I disagree with that does not meet my memory or the paperwork from the commission?". I can't say I agree with too much of it." He cited specifically the 2021 requested financial plan from the Town of Bancroft arguing that "it doesn't show up in any of [the commission's] minutes," and also questioned the audited financial statements pointing out that "the audits are completely different than what we had."

Fitzgerald read from a prepared statement where he questioned some of the deficit numbers revolving around "capital amortization?" stating, "While this may be part of the auditing process, it is irrelevant to our purposes, as we are here only to discuss the costs of operating the Arena, not the capital costs. The building and the property are solely owned by the Town of Bancroft and are the sole responsibility of the town." He went on to say that the deficit represents, "spending that is out of control and unsustainable," and after addressing what he considered the mismanagement of the arena from the canteen and skate sharpening room that have "sat empty and generated no revenue," to the user fees being "applied unfairly and inconsistently," he addressed the future of the arena. He said, "I intend to bring forward a motion at my next council meeting, a week from tomorrow, requesting that Hastings Highlands council approve for one year and one year only, a donation of support directly to the user groups that involve our youth, Bancroft and District Minor Hockey, Bancroft Girls Hockey Association, and the Bancroft Skating Club. This will help them maintain their numbers and deal with the user fees charged by the town. This will also give the Town of Bancroft one year to create and implement a reasonable and practical plan to bring this operating deficit down to a manageable level. I firmly believe that this can be achieved by drastically reducing costs and significantly increasing revenues. I can not, and will not, accept that it is appropriate for the taxpayers of Hastings Highlands to contribute money to a facility without proper management and a realistic financial plan. Once that is in place, I would be more than happy to sit down and see how Hastings Highlands can be a part of the arena moving forward."

Bancroft Mayor Paul Jenkins disagreed with Fitzgerald's assessment stating, "I'd like to say that, respectfully, the Mayor's comments are contrary to all the evidence and if you'd like a solution why don't we all agree to share the costs of an independent financial auditor to come in? we have presented the facts." Jenkins added that when the history of the Arena Commission was delved into it was obvious that, "the budgets that were set weren't realistic and weren't being met. If there's still a difference of opinion on those

then let's get together and hire somebody independent who can verify them.?

Mayor of Faraday Township, Dennis Purcell, agreed with much of what Fitzgerald said, and after reiterating many of his points said, ??if you were a business you'd be broke.? This prompted Councillor Miles to say that, ?One of the pieces that is palpable in the room is a lack of trust,? and she argued that the stakeholders needed to get past this in order to be able to work together, and also suggested that perhaps an independent auditor might achieve that level of trust.

While there were many points of disagreement it was unanimous that the user fee system was not a solution and that the current system is unsustainable. For most of the stakeholders they said that they needed more information before they could make any decisions and asked that the Town of Bancroft send all the information including the asset management plan for the arena to them.

Another question that remained unanswered was what a potential governance model would look like and what kind of oversight it would have. One suggestion was to have the CAOs of the stakeholder municipalities work on a model. All the stakeholders did agree to meet again once all the parties had time to review all the information thoroughly, which means that those involved are, for the time being at least, focusing on the future of the arena and not its recent rocky past.