

Operating and Capital Budget 2018/2019

Council

May 8, 2018



Investing in
our
Community

Making Life
Affordable

In the Community
For the Community,
By the Community

Building the
Local
Economy

Protecting
the
Environment

2018/19 Budget Overview

Operating Budget

Revenue - \$ 30,074,200

Expenses - \$ 29,991,200

Surplus - \$ 83,000

Capital Budget = \$12,818,400 (borrowing \$0)

Overview

Proposed Tax Rate 2018/19 (per \$100 of assessment)

- Residential \$0.81*
- Commercial \$1.957*
- Commercial Seasonal \$1.468*

- Sewer Rates – no change
- Street Light Rates – continuation of adjustments based on account surpluses
- Hydrant rates – adjusted to recover actual costs \$1.40 per \$100 of assessment

**No rate increase from previous year*

Overview – Impact of Tax Rate

- Impact on residential property assessed at \$100,000
 - 81 cents \$ 810.00 Property Tax
- Existing service standards are maintained.
- Initiatives that are important to Council and our residents to help achieve our mission as outlined in Council's strategic plan.

Key Themes & Successes



Success Stories

- Making Life Affordable
- Protecting the Environment
- Building the Local Economy
- Investing in Our Community

*“In the Community, For the Community,
By the Community”*

Assessment Trends & Issues



Assessment Trends

- Annual assessments based on previous year's market value
- Capture capital improvements and new construction through building permit process
- Largely based on sales data
- Assessment trends tend to be longer term and slow in in developing
- Future impacts are for the most part identifiable

Budget Highlights



2017/18 Year End Forecast

2017/18 Budget Surplus	\$ 118,000
Forecasted Surplus	\$1,306,000

Revenue Increases

- | | |
|-------------------------------------|------------|
| • Deed Transfer Tax | \$ 386,000 |
| • Bank interest & interest on taxes | 200,000 |
| • Other revenue | 64,000 |

Expenditure Decreases (savings)

- | | |
|--|--------------------|
| • Council expenses & members at large | 21,000 |
| • Unspent Contingency | 80,000 |
| • Tax Exemptions | 20,000 |
| • Road Maintenance | 57,000 |
| • ISP operating projects | 222,000 |
| • Insurance for abandoned schools | 40,000 |
| • By-law review and advisory services | 31,000 |
| • Recreation Facility Maintenance & Programs | 67,000 |
| | <u>\$1,188,000</u> |

Budget Highlights

- No Tax Rate Increase; Commercial Rate Reduction of 2012/13 remains (\$0.10)
- Positive results on the Financial Condition Index
 - Preliminary results - exceed threshold on 12 of 13 indicators
- Municipality will be debt free by 2021
- Able to balance the 2018/19 budget, with a surplus of \$83,000

Budget Highlights

Building the Local Economy

- Internet Connectivity Strategy
 - Canadian Internet Registration Authority Internet Study
 - Connect to Innovate Program - Internet Service Provider (ISP) partnership
- Rural Roads
 - Identified targeted road improvements to leverage provincial investment
- Investment Attraction
- Tourism
- Agriculture

Budget Highlights

Making Life Affordable

- Maintain Tax and Sewer Rates
- Five Year Financial Strategy
- Clean Energy Financing Program
- Support for residents
 - Property Tax Rebate Program
 - Positive Recreation Opportunities for Kids (ProKids)

Budget Highlights

Protecting the Environment

- LaHave River Straight Pipe Replacement Project
- Clean up of Abandoned Schools
- Flood Mitigation
- Wastewater Treatment

Budget Highlights

Investing in Recreation and Community

- Tick Awareness and Lyme Disease
- Continued Implementation of the Open Space Strategic Plan and Active Living Strategy
- River Ridge Common
- Sherbrooke Lake
- Fire Services Recruitment and Retention

Budget Highlights

In the Community, For the Community,
By the Community

- Partnerships to manage parks and open spaces
 - United Communities Marine Park
 - Pinegrove Outdoor Play Association
 - Petite Riviere Community Park
 - Molega Lake Park (Chelsea United Baptist Church)
 - River Ridge Commons
 - Saw Pit Wharf
 - Miller Point Peace Park

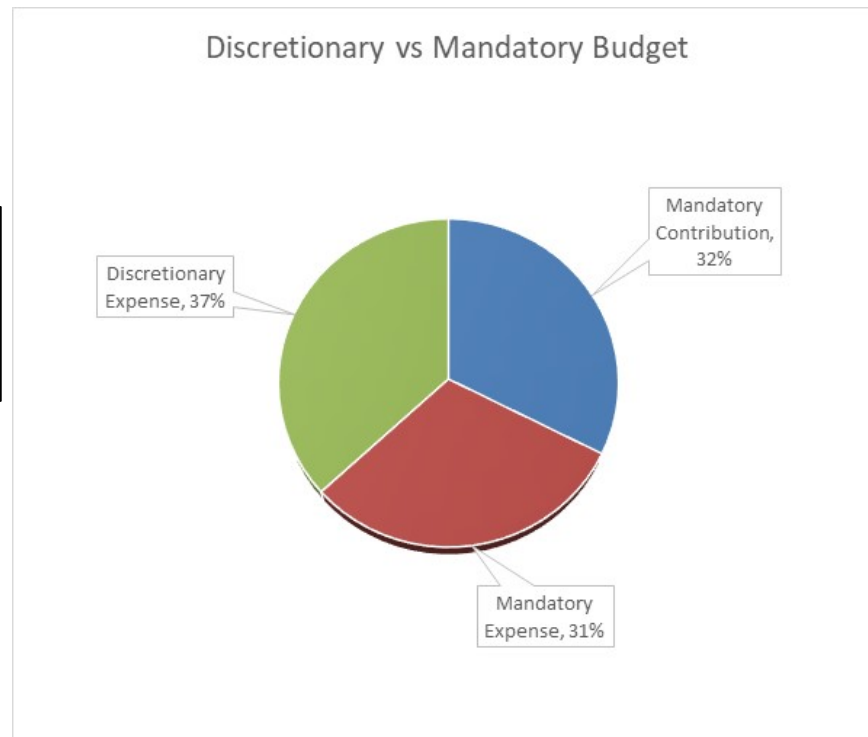
Budget Details



Budget Highlights

Provincial and other mandatory expenses
= 63% of the budget net expenditures

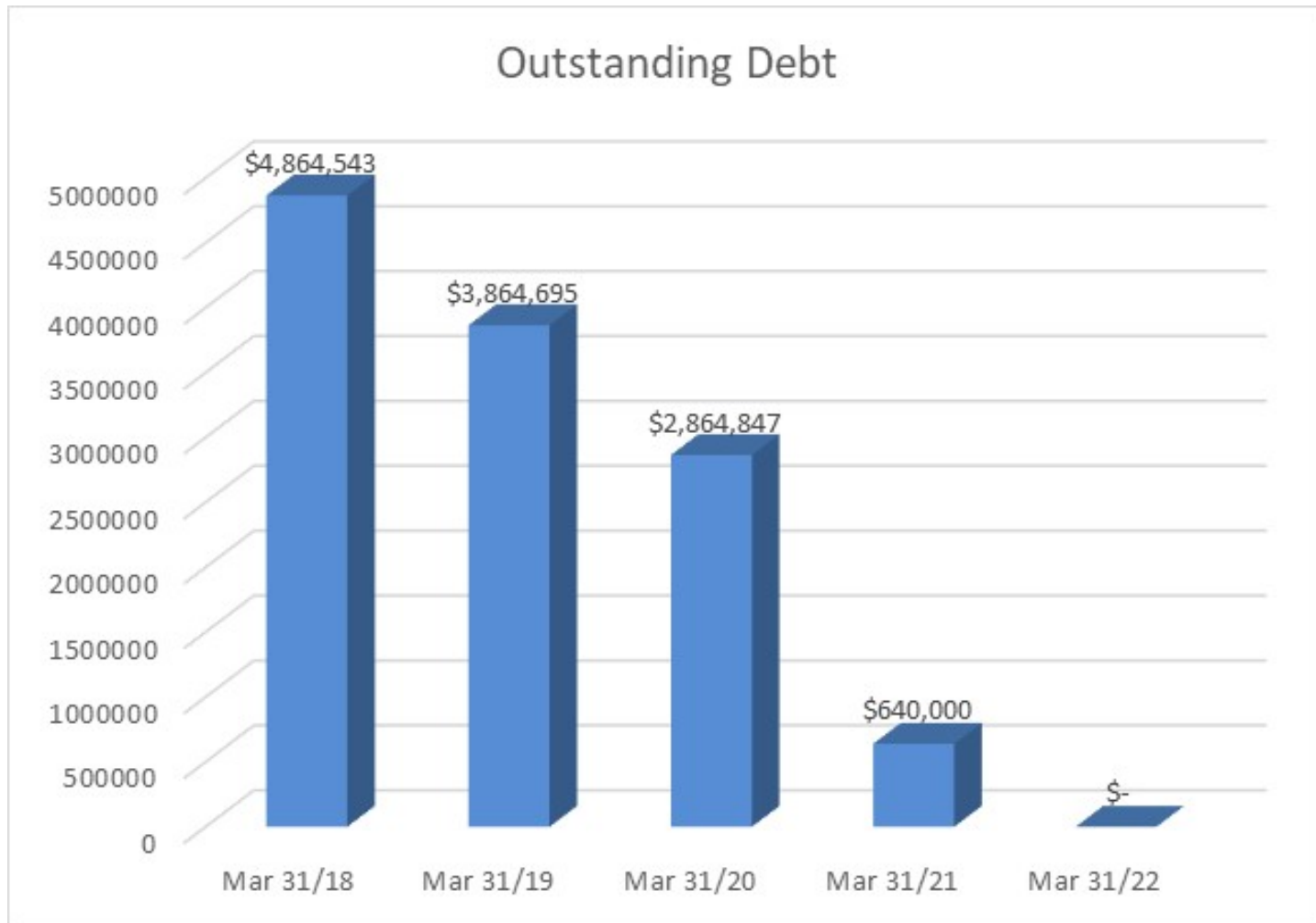
Recreation,
Planning,
Building, etc.



Education,
Corrections
and Housing

Police, Fire
Services,
Roads, Waste
Collection,
etc.

Debt Repayment



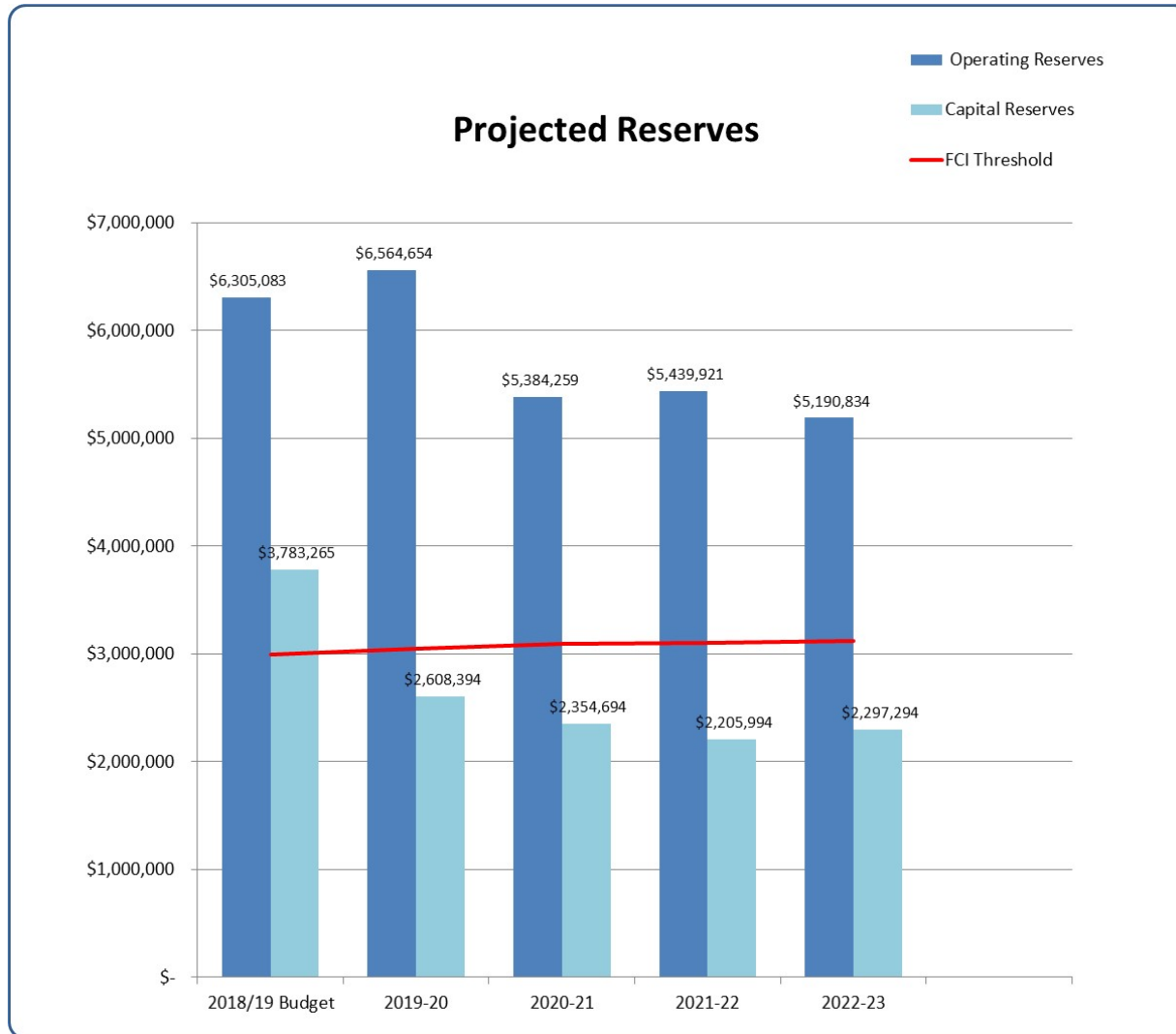
Reserves

Fiscal Year	Reserve	Balance
2018/19	Depreciation reserves	\$ 3,676,262
	Gas Tax reserves	1,753,206
	Other reserves	<u>4,658,880</u>
	Total	\$10,088,348
2019/20	Depreciation reserves	\$ 3,597,633
	Gas Tax reserves	1,251,006
	Other reserves	<u>4,324,409</u>
	Total	\$9,173,048
2020/21	Depreciation reserves	\$3,449,733
	Gas Tax reserves	911,306
	Other reserves	<u>3,377,914</u>
	Total	\$7,738,953

Reserves

Fiscal Year	Reserve	Balance
2021/22	Depreciation reserves	\$ 3,336,566
	Gas Tax reserves	676,606
	Other reserves	<u>3,632,743</u>
	Total	\$7,465,915
2022/23	Depreciation reserves	\$ 2,782,599
	Gas Tax reserves	681,906
	Other reserves	<u>4,023,623</u>
	Total	\$7,488,128

Reserves



District Budget Summary

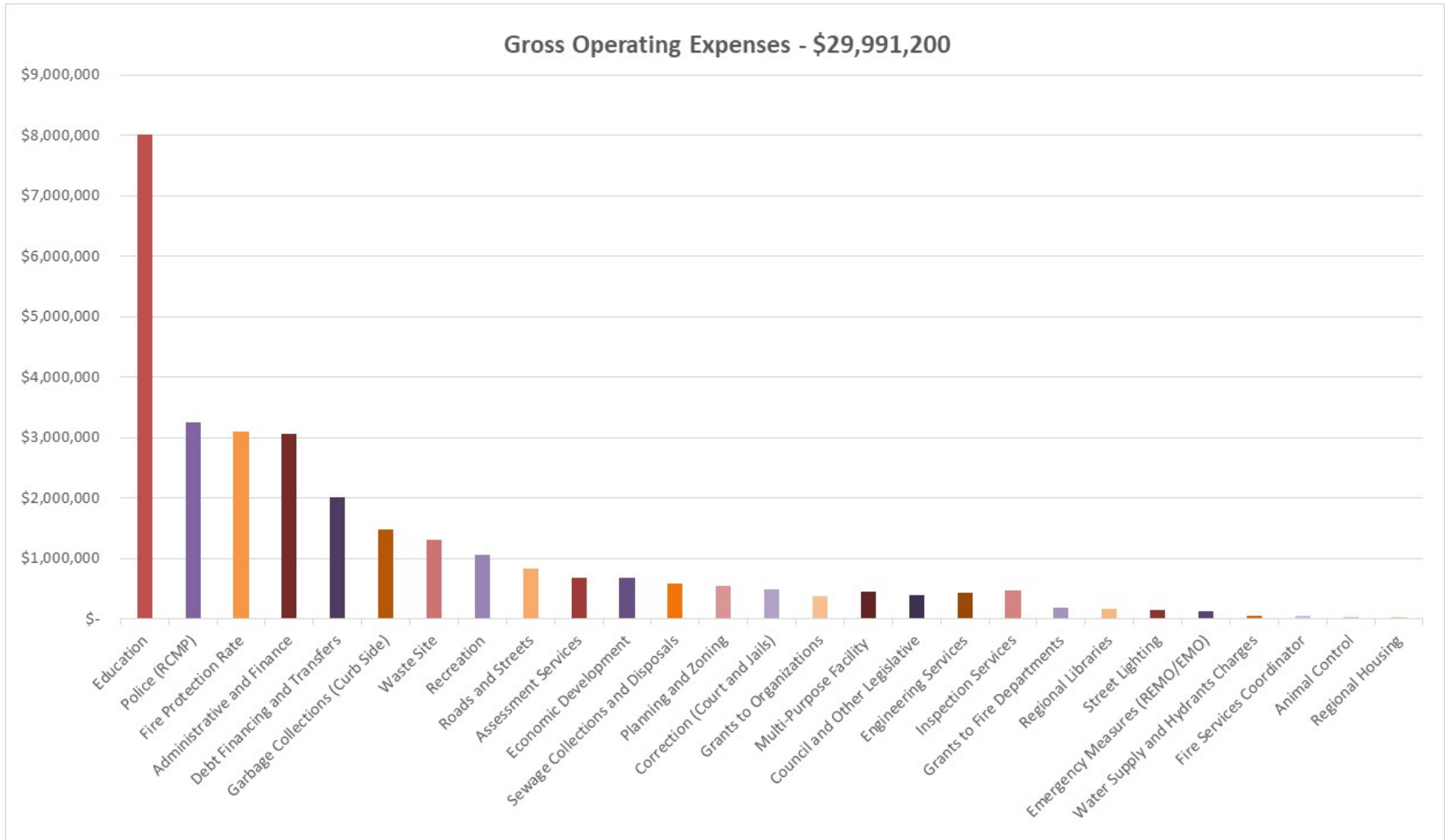
	2017/18 Budget	Adjusted Baseline 2018/19	Proposed 2018/19 Additions	Proposed 2018/19 Budget	% Change over last yr. Budget
Gross Expenditure (after reserve transfer)	29,342,800	29,550,400	440,800	29,991,200	2.21%
Non-Tax Revenue	1,472,100	1,601,000	12,400	1,613,400	9.60%
Net Expenditures	27,870,700	27,949,400	428,400	28,377,800	-7.39%
Tax Revenue	27,988,700	28,460,800		28,460,800	1.69%
Surplus (Deficit)	118,000	511,400	(428,400)	83,000	

- Proposed Tax Rate 2018/19
 - Residential : \$0.81 per \$100 of assessment
 - Commercial: \$1.957 per \$100 of assessment
 - Commercial- Seasonal: \$ 1.468 per \$100 of assessment

Mandatory Expenses Trends

	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Forecast	2018/19 Estimate
Education	7,340,873	7,528,181	7,744,710	7,815,000	8,002,200
Assessment	687,734	683,900	680,495	680,700	680,700
Corrections (Jails Courts)	444,943	441,458	438,722	438,800	436,000
Housing	40,697	33,459	32,659	32,000	35,000
Regional Library	158,134	158,134	158,134	159,800	160,000
Sub Total	8,672,381	8,845,132	9,054,720	9,124,500	9,313,900
% Change	2.74%	1.99%	2.37%	0.77%	2.08%

Where the Money Goes



District Expenses - Summary

	2017/18	2018/19	2018/19	2018/19	Percent
	Annual	Adjusted	2018/19	Proposed	Change
	Budget	Baseline	Additions	Budget	Budget 2019
					to Budget
					2018
Expenditures					
General Government Services					
Council and Other Legislative	\$ 379,400	\$ 390,100	\$ 7,000	\$ 397,100	4.67%
Administrative and Finance	2,844,300	2,874,700	176,400	3,051,100	7.27%
Grants to Organizations	461,900	336,900	38,000	374,900	-18.84%
Assessment Services	680,700	680,700	-	680,700	0.00%
	4,366,300	4,282,400	221,400	4,503,800	3.15%
Protective Services					
Police	3,190,300	3,250,000	-	3,250,000	1.87%
Correction and Other Law Enforcement	487,800	490,000	-	490,000	0.45%
Water Supply and Hydrants Charges	54,700	56,100	-	56,100	2.56%
Grants to Fire Departments	168,700	173,300	-	173,300	2.73%
Fire Protection Rate	3,060,500	3,106,000	-	3,106,000	1.49%
Emergency Measures (REMO/EMO)	104,700	124,400	-	124,400	18.82%
Fire Services Coordinator	52,000	57,900	-	57,900	18.82%
Inspection Services	349,700	352,000	125,600	477,600	36.57%
Other Protective Services (Animal Control)	40,000	36,000	-	36,000	-10.00%
	7,508,400	7,645,700	125,600	7,771,300	3.50%
Transportation Services					
Engineering Services	353,300	326,400	15,600	342,000	-3.20%
Roads and Streets	820,700	835,300	-	835,300	1.78%
Street Lighting	143,600	146,300	-	146,300	1.88%
CES/CEF	96,900	95,600	-	95,600	1.88%
	1,414,500	1,403,600	15,600	1,419,200	0.33%
Environmental Health Services					
Sewage Collections and Disposals	624,100	590,800	-	590,800	-5.34%
Garbage Collections	1,478,800	1,470,900	-	1,470,900	-0.53%
Waste Site	1,392,100	1,302,000	-	1,302,000	-6.47%
	3,495,000	3,363,700	-	3,363,700	-3.76%

District Expenses - Summary

	2017/18 Annual Budget	2018/19 Adjusted Baseline	2018/19 Additions	2018/19 Proposed Budget	Percent Change Budget 2019 to Budget 2018
Public Health					
Regional Housing	32,000	35,000	-	35,000	9.38%
Environmental Planning and Zoning					
Planning and Zoning	590,500	539,600	9,000	548,600	-7.10%
Community and Economic Development	663,800	619,800	48,900	668,700	0.74%
	1,254,300	1,159,400	57,900	1,217,300	-2.95%
Recreation and Culture					
Recreation	1,020,200	1,039,400	16,300	1,055,700	3.48%
Multi-Purpose Facility	420,500	442,500	-	442,500	3.48%
Regional Libraries	160,000	160,000	-	160,000	0.00%
	1,600,700	1,641,900	16,300	1,658,200	3.59%
Education	7,815,000	8,002,200	-	8,002,200	2.40%
Sub Total Expenditures	27,486,200	27,533,900	436,800	27,970,700	1.76%
Debt Financing and Transfers	1,856,600	2,016,500	4,000	2,020,500	8.83%
Total Expenditures	29,342,800	29,550,400	440,800	29,991,200	2.21%
Revenue					
Tax Revenue	27,988,700	28,460,800	-	28,460,800	1.69%
Non Tax Revenue	1,472,100	1,601,000	12,400	1,613,400	9.60%
Total Revenue	29,460,800	30,061,800	12,400	30,074,200	2.08%
Surplus (Deficit)	\$ 118,000	\$ 511,400	\$ (428,400)	\$ 83,000	

Baseline Budget - Increases

Item	Increase from 2017-18
Education	\$187,200
Transfers (to/from) Reserves	159,900
Police Services	59,700
Fire Protection	45,500
Administrative & Finance	30,400
LCLC Multi Purpose Facility	22,000
Emergency Measures (REMO/EMO)	19,700
Recreation	19,200
Roads & Streets	14,600
Council & Other Legislative	10,700

Baseline Budget - Decreases

Item	Decrease from 2017-18
Grants to Organizations	\$125,500
Waste Site Collection and Disposal	98,000
Planning & Zoning	50,900
Community & Economic Development	44,000
Sewage Collection & Disposal	33,300
Engineering Services	26,900

Budget Additions

Department/Description	Expenditure Amount	Revenue/ Reserves	Net Cost
Administration & Finance			
FCM Board Member	\$ 7,000	\$ -	\$ 7,000
Proposed Wage Adjustments	110,000		110,000
Lyme Disease Project	40,200		40,200
Safety Study	25,000		25,000
HR Tracking System	1,200		1,200
Transfer for Elections	4,000		4,000
Engineering Services			
Student Wages	10,600	8,400	2,200
Project Design Services	5,000		5,000
Building Inspection Services			
Regional Building Inspection	65,600		65,600
Back scanning Building Permits	60,000		60,000

Budget Additions

Department/Description	Expenditure Amount	Revenue/ Reserves	Net Cost
Planning & Development Services			
Hemford Forest Plebiscite	9,000		9,000
Economic Development Services			
Full Time Tourism Staff Position	48,900		48,900
Recreation Services			
South Shore Fieldhouse Grant	30,000		30,000
Big Tancook Island Park	8,000		8,000
Seasonal Gatekeeper	16,300		16,300
Wile's Lake Park Rental Revenue		4,000	(4,000)
TOTAL ADDITIONS	\$ 440,800	\$ 12,400	\$ 428,400

Strategic Priorities

Council's Vision

The Municipality will maximize opportunities for social and economic development while retaining an attractive, sustainable and secure environment for the enjoyment of residents and visitors. Through responsible and professional leadership and in partnership with others, the Municipality will strive to improve the quality of life for all residents living and working in the larger community.

Council's 2018-19 Priorities

Economic
Development

Rural Internet
Surplus Schools

Sound Finances

5-year Financial
Strategy

Invest in
Infrastructure

LaHave River
Straight Pipes
Expand
Recreational
Infrastructure

Improve
Community
Services

Roads Strategy
Fire Services
Recruitment &
Retention
Accessibility
Plan

Forward-
Looking
Administration

MJSB & LCLC
Governance
Lyme Disease
Response

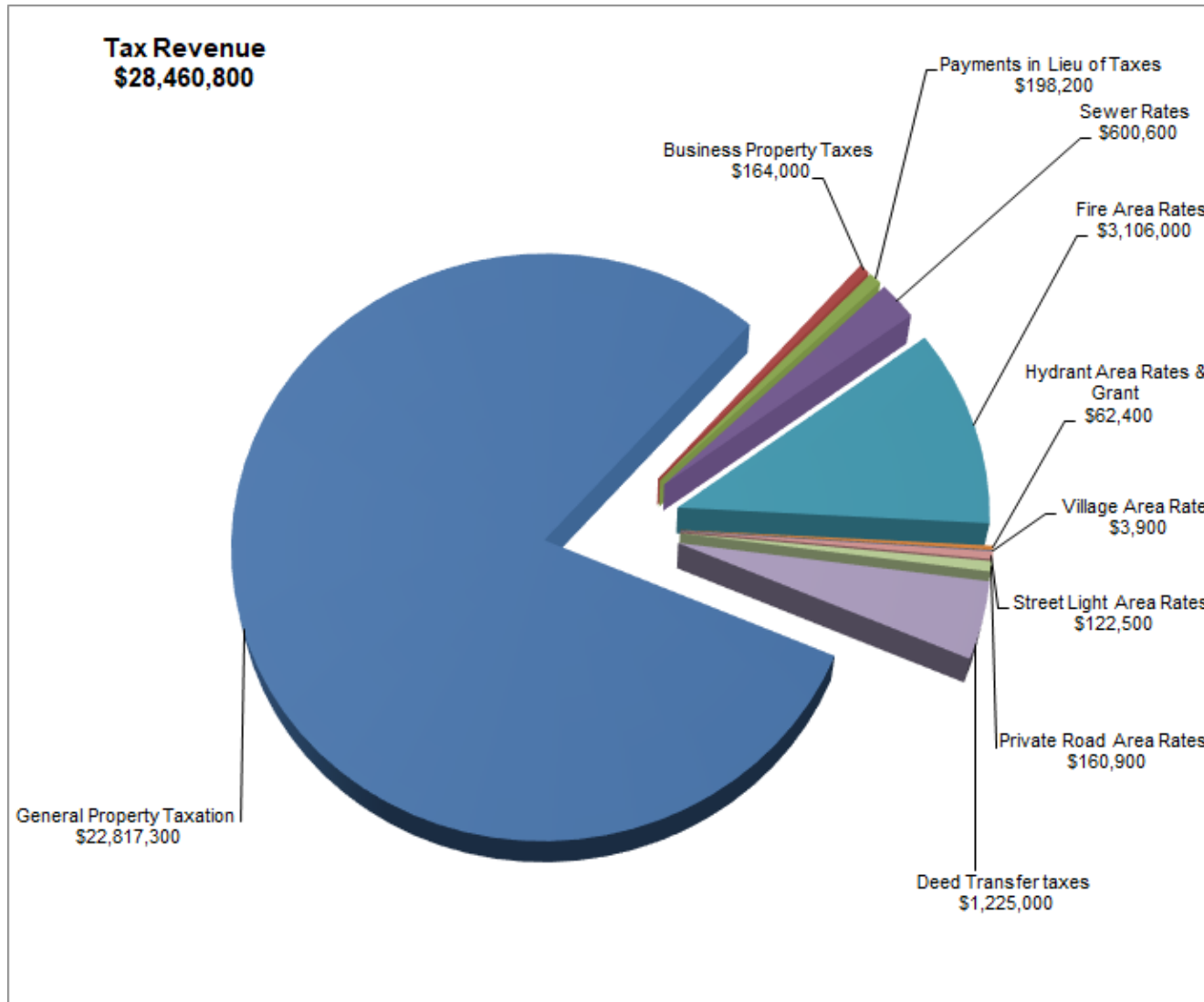
Sustainable
Planning

Flood Mitigation

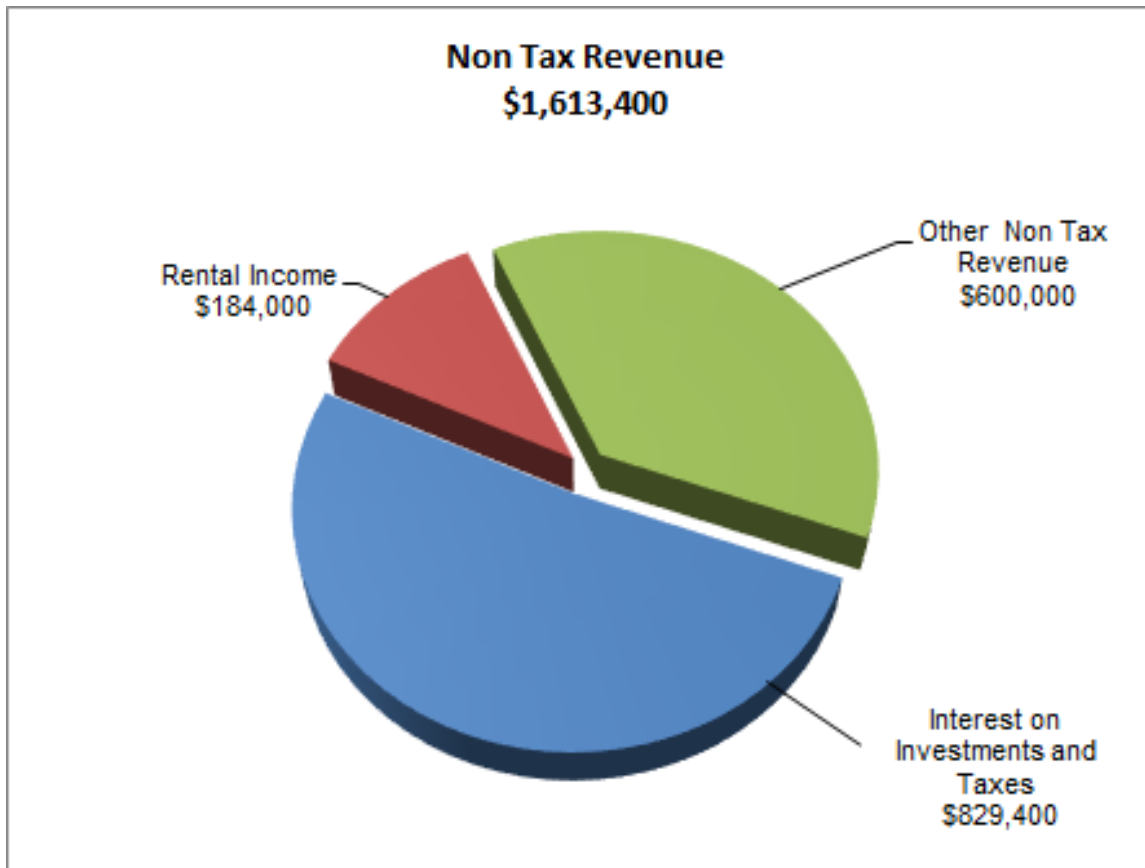
Grants

- Grants and funding to community groups, individuals, neighbouring towns and groups with management agreements
- Total \$337,100, a decrease of \$55,500.

Revenue – Tax Revenue



Revenue – Non-Tax Revenue



REMO
services,
Recreation
Programs,
Licenses &
Permits, Tax
Sale Fees,
Grants, etc.

Area Rates

Sewer Rates

- Global Rate \$0.73 (*2017/18 - Rate \$0.73*)
- Hebbville \$0.43 (*2017/18 - Rate \$0.43*)

Fire Hydrant Rates

- \$0.140 (*2017/18 – Rate - \$0.129*)

Area Rates

Street Light Rates

	Rates per \$100 of assessment		Flat Rates per Property
Riverport	\$0.028	Barss Corner	\$ 48.20
Dayspring	\$0.051	Vogler's Cove, Broad Cove, Cherry Hill	\$ 22.09
New Germany	\$0.042	Chelsea	\$ 83.32
Catidian Place	\$0.009	Pine Grove	\$ 20.08
Pine Haven Subd.	\$0.040	Oakhill Acres	\$ 32.35
		Little Tancook	\$ 37.70
		Whitley and Jenny	\$ 0.00
		Westside Drive	\$160.00

Summary

- ✓ Tax rates remain constant
- ✓ Strategic Priorities Addressed
- ✓ Operational priorities are funded
- ✓ Responsive to our residents needs

Collaborative Effort

Finance Committee: C. Garland (Chair);

All Municipal Councillors

Strategic Management Team: K. Malloy;

Dumaresq; E. Wentzell; T. Payne; J. Merrill; S. Pace;

D. Waters, A. Veinot; B. Jeans; S. Conrad;

S. Kucharski

Finance Department: E. Wentzell; A. Veinot; J.

Powers

Motions

- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Operating Budget in the amount of \$29,991,200*
- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Capital Budget in the amount of \$12,818,400 and the 5-Year Capital Plan;*
- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Reserves Transfers including interest as noted in the 5-Year Financial Plan.*
- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Residential Tax Rate of \$0.081 per \$100 of assessment;*

Motions

- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Commercial Tax Rate of \$1.957 per \$100 of assessment;*
- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Seasonal Commercial Tax Rate at \$ 1.468 per \$100 of assessment;*
- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Sewer Rates at:*
 - *Cookville; New Germany & Conquerall Bank at \$0.73 per \$100 of Assessment; and*
 - *Hebbville at \$0.43 per \$100 of Assessment*

Motions

- *That Municipal Council accept the recommendation of the Finance Committee and sets the 2018/19 Fire Hydrant Rate at \$0.140 cents per \$100 of Assessment;*
- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Street Light Rates as presented;*
- *That Municipal Council accept the recommendation of the Finance Committee and approve the 2018/19 Flat Fee Area Rate of \$10 per residential and commercial property in the Village of Hebbville on behalf of the Village Commission*