

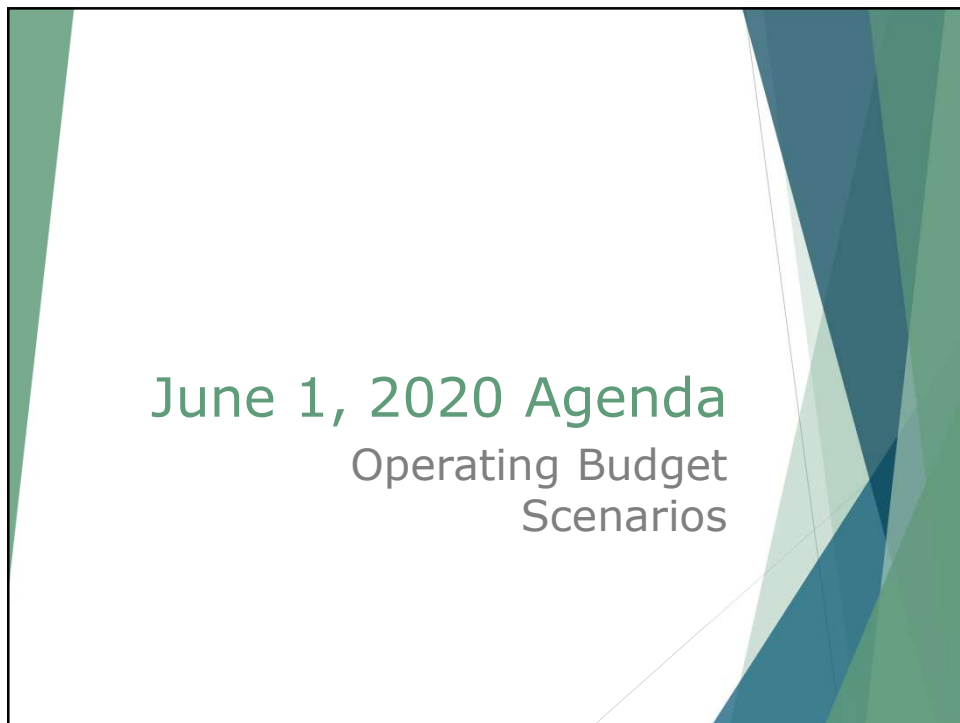


**WEST HANTS REGIONAL MUNICIPALITY
Special Budget Committee of the Whole Agenda
June 01, 2020 5:30 p.m.
Virtual Zoom Presentation**

1. Call to Order
2. Roll Call
3. Announcements
4. Approval of Agenda, including additions or deletions
5. 5:30-7:00 Past-Present-Future RCMP Discussions Mark Phillips
6. 7:00-7:15 Break
7. 7:15–8:00 Operating Budget Scenarios
8. 8:00-9:00 Operating Budget Direction
9. Adjournment



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May 27, 2020 Update

- Operating Revenues are down \$470,599
- Operating Expenses are up \$1,471,939
 - Constraints of Education Contribution of \$481,802, and RCMP contract of \$1,246,848
- The net impact on operations is \$1,942,538
 - Mitigated \$690,038 in operating budget through proposed changes
 - Total transfer to maintain the tax rates \$1,252,500
 - \$641,900 from West Hants operating reserve
 - \$610,600 from Windsor operating reserve
- Total operating budget of \$24,834,860

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Proposed Residential Tax Rate 2020-21

► Proposed General Residential Rate of \$0.4318

Rates	West Hants*	Hantsport*	Windsor*
General	\$0.4318	\$0.4318	\$0.4318
Area Rate	\$0.6006	\$1.2283**	\$1.4482
Proposed Total	\$1.0323	\$1.66	\$1.88

*per \$100 of assessed value
** Hantsport combined area rate with West Hants (\$0.6277 + \$0.6006)

No change from 2019-20

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Proposed Commercial Tax Rate 2020-21

▶ Proposed General Commercial Rate of \$0.99

Rates	West Hants*	Hantsport*	Windsor*
General	\$0.99	\$0.99	\$0.99
Area Rate	\$0.80	\$2.82**	\$2.92
Proposed Total	\$1.79	\$3.81	\$3.91
2019-20 Rate	\$1.80	\$3.82	\$3.95
(Decrease) / Increase	(\$0.01)	(\$0.01)	(\$0.04)

*per \$100 of assessed value
** Hantsport combined area rate with West Hants (\$2.02 + \$0.8000)

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Increase to average property*

▶ 2020-21 Average Assessment Increase (1%)

- ▶ \$6.04 (based on proposed general \$0.4318 tax rate)
 - ▶ +\$8.41 in West Hants = \$14.45
 - ▶ +\$17.20 in Hantsport = \$23.24
 - ▶ +\$20.27 in Windsor = \$26.31

*\$140,000 average property cost before 1% increase

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Operating Reserves

Operating Reserves are within 8% (or \$1.98 Million) of total operating revenue, as per reserve policy

- \$1,662,940 West Hants projected operating reserve balances at March 31, 2021
- \$984,725 Windsor projected operating reserve balances at March 31, 2021
- For a total balance of \$2,647,665

Total operating reserves \$3,542,504

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Budget Overview

2020-2021 West Hants Regional Municipality Budget	
	Originally Presented
REVENUE	
TAXES	21,594,996
GRANTS IN LIEU OF TAXES	114,548
SERVICES PROVIDED TO OTHER GOVERNMENTS	1,085,044
SALES OF SERVICES	569,676
OTHER REVENUE FROM OWN SOURCES	697,216
UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS	557,223
CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVT. OR AGENCIES	98,637
CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS	<u>117,520</u>
TOTAL	24,834,860
EXPENSES	
GENERAL GOVERNMENT SERVICES	3,250,885
PROTECTIVE SERVICES	8,337,234
TRANSPORTATION	1,939,501
ENVIRONMENTAL HEALTH SERVICES	3,446,015
PUBLIC HEALTH SERVICES	155,344
ENVIRONMENTAL DEVELOPMENT SERVICES	1,002,594
RECREATION AND CULTURAL SERVICES	1,702,114
EDUCATION	4,683,280
EXTRAORDINARY OR SPECIAL ITEMS	-
Net Expenses	<u>24,516,967</u>
DEBENTURE AND TERM LOAN PRINCIPAL INSTALLMENTS	1,503,017
NET TRANSFERS FROM (TO) OWN RESERVE, FUNDS AND AGENCIES	<u>(1,185,124)</u>
TOTAL	24,834,860

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What is penny worth?

2020-21 Assessment*	General	West Hants	Hantsport	Windsor
Residential	\$124,838.69	\$109,761.77	\$6,284.27	\$15,816.31
Commercial	\$13,098.09	\$7,579.96	\$1,403.20	\$5,518.13

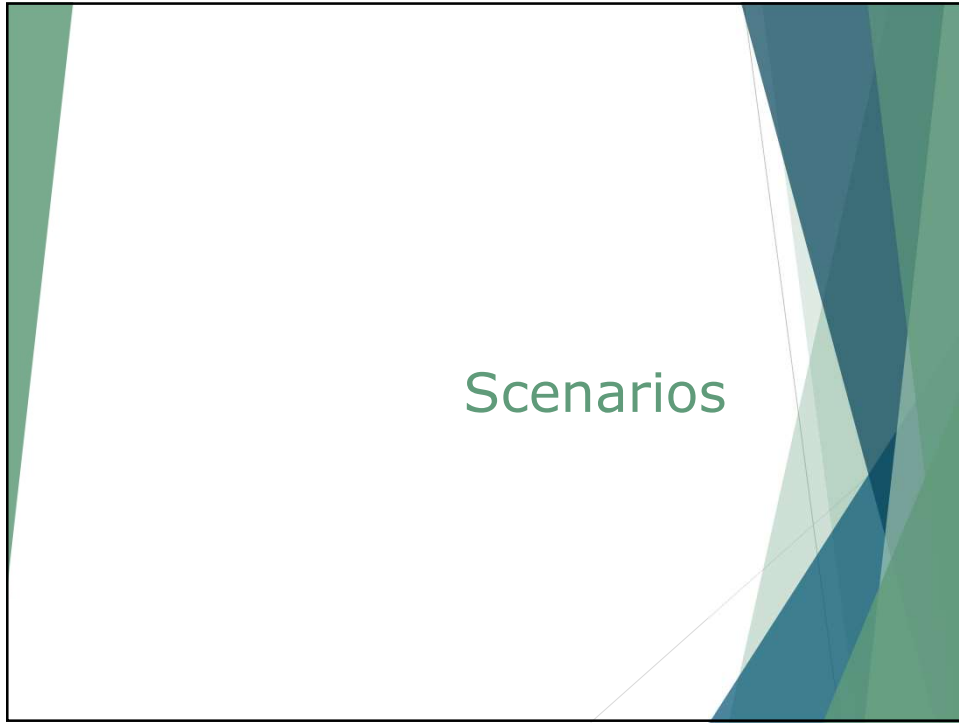
*per \$100 of assessed value

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Discussion

- ▶ How do we accommodate the additional forecasted amount \$556,420 for RCMP?
- ▶ Assumptions
 - ▶ Council doesn't want to impact service delivery
 - ▶ Council wants to ensure fairness and long-term sustainability
 - ▶ Council tolerance is low to moderate for rate adjustments
 - ▶ Maintain commercial rate decrease
- ▶ Three scenarios have been prepared
 - ▶ Flat
 - ▶ \$0.01 increase
 - ▶ \$0.02 increase

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Proposed Changes – Scenario 1

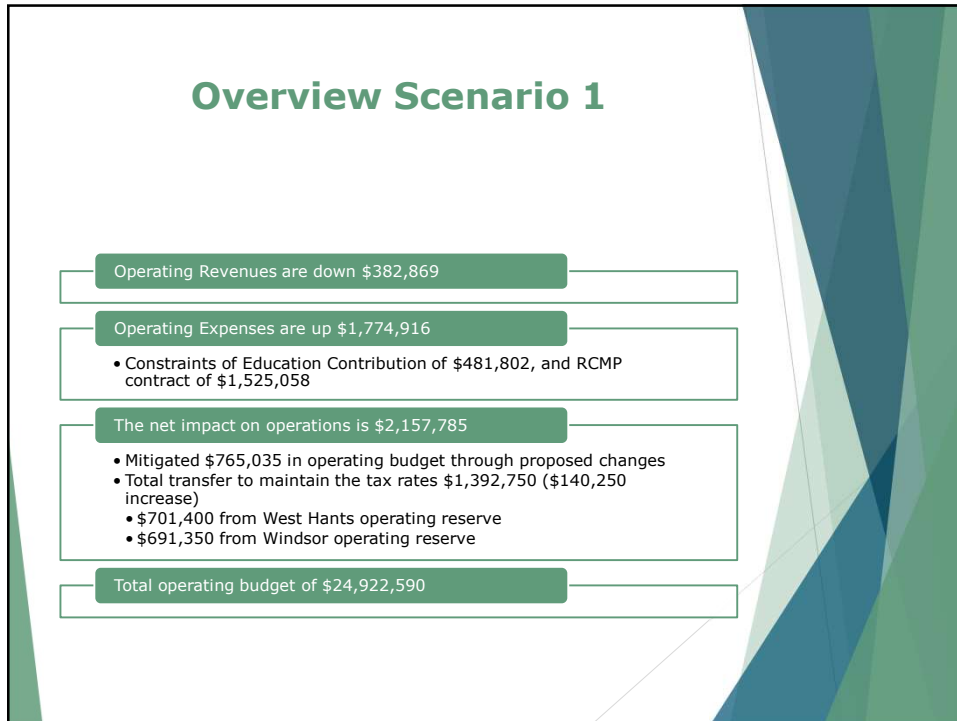
- ▶ Recognize 50% of forecast RCMP, in the operating budget.
 - ▶ As this is forecast, we can await the adjustment at year end to get actual amount and fund through reserves.
 - ▶ To ensure reserve balances are recouped it would be added to fiscal 2021-2022 operating budget, as a contribution to reserves.
- ▶ Less conservative on deed transfer tax from 70% to 80% (\$86,598)
- ▶ Increase in consolidation funding transfer by \$75,000
- ▶ Remainder from reserves
- ▶ Addition of consolidation employee contract debt servicing increase

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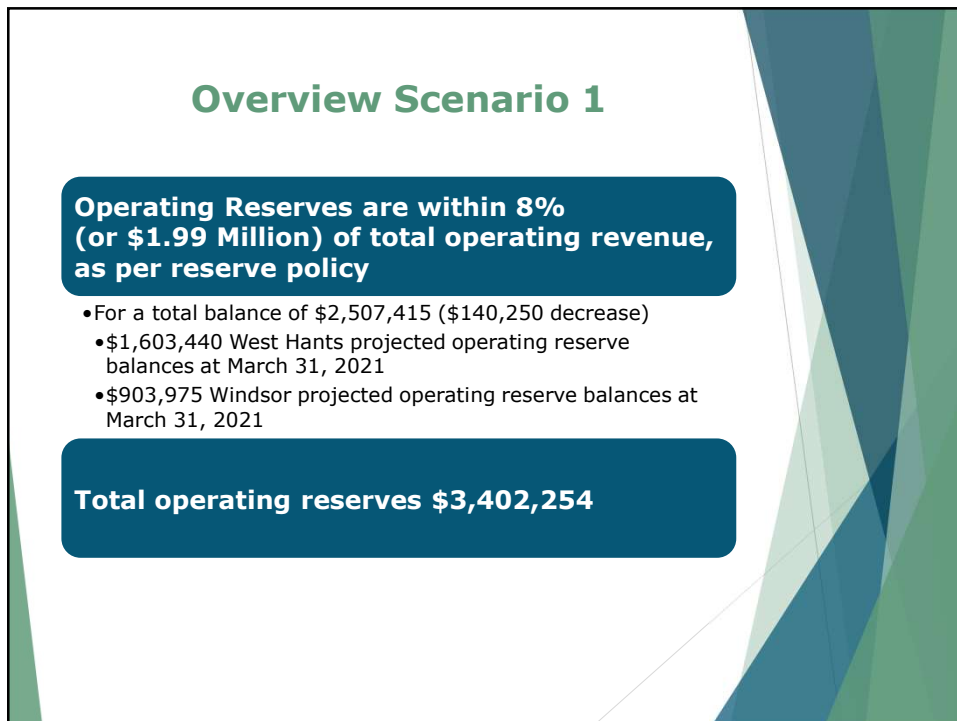
Proposed Changes – Scenario 1

	Originally Presented	Scenario 1	Difference
REVENUE			
TAXES	21,594,996	21,683,233	88,237
GRANTS IN LIEU OF TAXES	114,548	114,041	(507)
SERVICES PROVIDED TO OTHER GOVERNMENTS	1,085,044	1,085,044	-
SALES OF SERVICES	569,676	569,676	-
OTHER REVENUE FROM OWN SOURCES	697,216	697,216	-
UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS	557,223	557,223	-
CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVT. OR AGENCIES	98,637	98,637	-
CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS	117,520	117,520	-
TOTAL	24,834,860	24,922,590	87,730
EXPENSES			
GENERAL GOVERNMENT SERVICES	3,250,885	3,252,430	(1,545)
PROTECTIVE SERVICES	8,337,234	8,615,444	(278,210)
TRANSPORTATION	1,939,501	1,939,501	-
ENVIRONMENTAL HEALTH SERVICES	3,446,015	3,446,015	-
PUBLIC HEALTH SERVICES	155,344	155,344	-
ENVIRONMENTAL DEVELOPMENT SERVICES	1,002,594	1,002,594	-
RECREATION AND CULTURAL SERVICES	1,702,114	1,702,114	-
EDUCATION	4,683,280	4,683,280	-
EXTRAORDINARY OR SPECIAL ITEMS	-	-	-
Net Expenses	24,516,967	24,796,722	(279,755)
DEBTURE AND TERM LOAN PRINCIPAL INSTALLMENTS	1,503,017	1,526,242	(23,225)
NET TRANSFERS FROM (TO) OWN RESERVE, FUNDS AND AGENCIES	(1,185,124)	(1,400,374)	215,250
TOTAL	24,834,860	24,922,590	(87,730)

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Proposed Residential Tax Rate 2020-21

► Proposed General Residential Rate of \$0.4140

Rates	West Hants*	Hantsport*	Windsor*
General	\$0.4140	\$0.4140	\$0.4140
Area Rate	\$0.6183	\$1.246**	\$1.4660
Proposed Total	\$1.0323	\$1.66	\$1.88

*per \$100 of assessed value
** Hantsport combined area rate with West Hants (\$0.6277 + \$0.6183)

No change from 2019-20

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Increase to average property*

► 2020-21 Average Assessment Increase (1%)

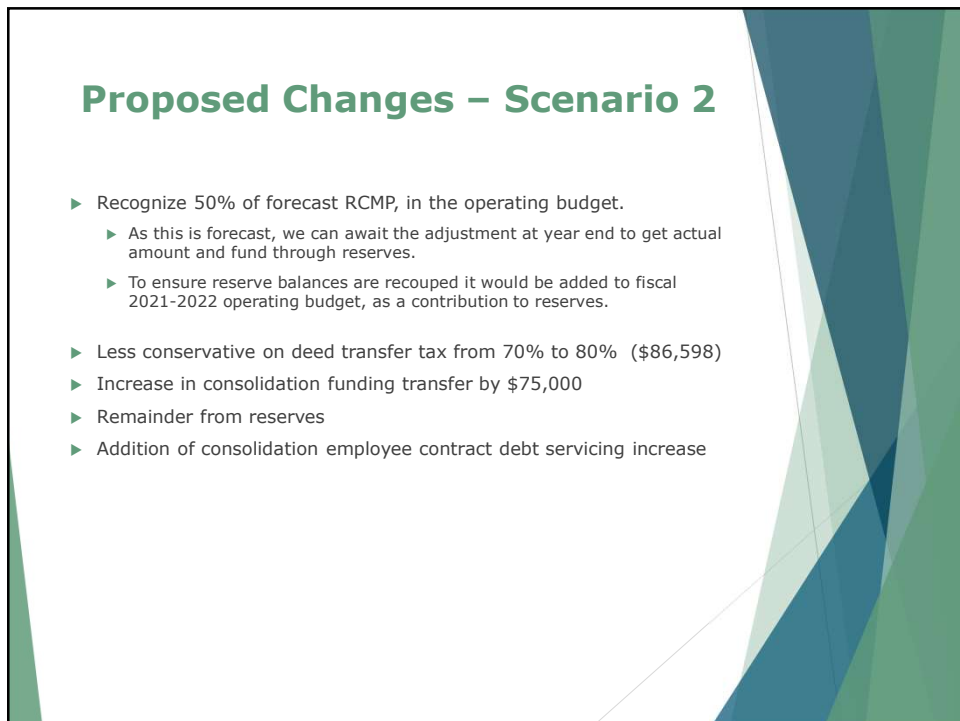
- \$5.80 (based on proposed general \$0.4140 tax rate)
 - +\$8.66 in West Hants = \$14.46
 - +\$17.44 in Hantsport = \$23.24
 - +\$20.52 in Windsor = \$26.32

*\$140,000 average property cost before 1% increase

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Proposed Changes – Scenario 2

	Originally Presented	Scenario 2	Difference
REVENUE			
TAXES	21,594,996	21,807,947	212,951
GRANTS IN LIEU OF TAXES	114,548	114,326	(222)
SERVICES PROVIDED TO OTHER GOVERNMENTS	1,085,044	1,085,044	-
SALES OF SERVICES	569,676	569,676	-
OTHER REVENUE FROM OWN SOURCES	697,216	697,216	-
UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS	557,223	557,223	-
CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVT. OR AGENCIES	98,637	98,637	-
CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS	117,520	117,520	-
TOTAL	24,834,860	25,047,590	212,729
EXPENSES			
GENERAL GOVERNMENT SERVICES	3,250,885	3,252,430	(1,545)
PROTECTIVE SERVICES	8,337,234	8,615,444	(278,210)
TRANSPORTATION	1,939,501	1,939,501	-
ENVIRONMENTAL HEALTH SERVICES	3,446,015	3,446,015	-
PUBLIC HEALTH SERVICES	155,344	155,344	-
ENVIRONMENTAL DEVELOPMENT SERVICES	1,002,594	1,002,594	-
RECREATION AND CULTURAL SERVICES	1,702,114	1,702,114	-
EDUCATION	4,683,280	4,683,280	-
EXTRAORDINARY OR SPECIAL ITEMS	-	-	-
Net Expenses	24,516,967	24,796,722	(279,755)
DEBTURE AND TERM LOAN PRINCIPAL INSTALLMENTS	1,503,017	1,526,242	(23,225)
NET TRANSFERS FROM (TO) OWN RESERVE, FUNDS AND AGENCIES	(1,185,124)	(1,275,374)	90,250
TOTAL	24,834,860	25,047,590	(212,729)

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Overview Scenario 2

- Operating Revenues are down \$257,869
- Operating Expenses are up \$1,774,916
 - Constraints of Education Contribution of \$481,802, and RCMP contract of \$1,525,058
- The net impact on operations is \$2,032,785
 - Mitigated \$765,035 in operating budget through proposed changes
 - Total transfer to maintain the tax rates \$1,267,750 (\$15,250 increase)
 - \$613,900 from West Hants operating reserve
 - \$653,850 from Windsor operating reserve
- Total operating budget of \$25,047,590

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Overview Scenario 2

Operating Reserves are within 8% (or \$2.00 Million) of total operating revenue, as per reserve policy

- For a total balance of \$2,632,415 (\$15,250 decrease)
- \$1,690,940 West Hants projected operating reserve balances at March 31, 2021
- \$941,475 Windsor projected operating reserve balances at March 31, 2021

Total operating reserves \$3,527,254

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Proposed Residential Tax Rate 2020-21

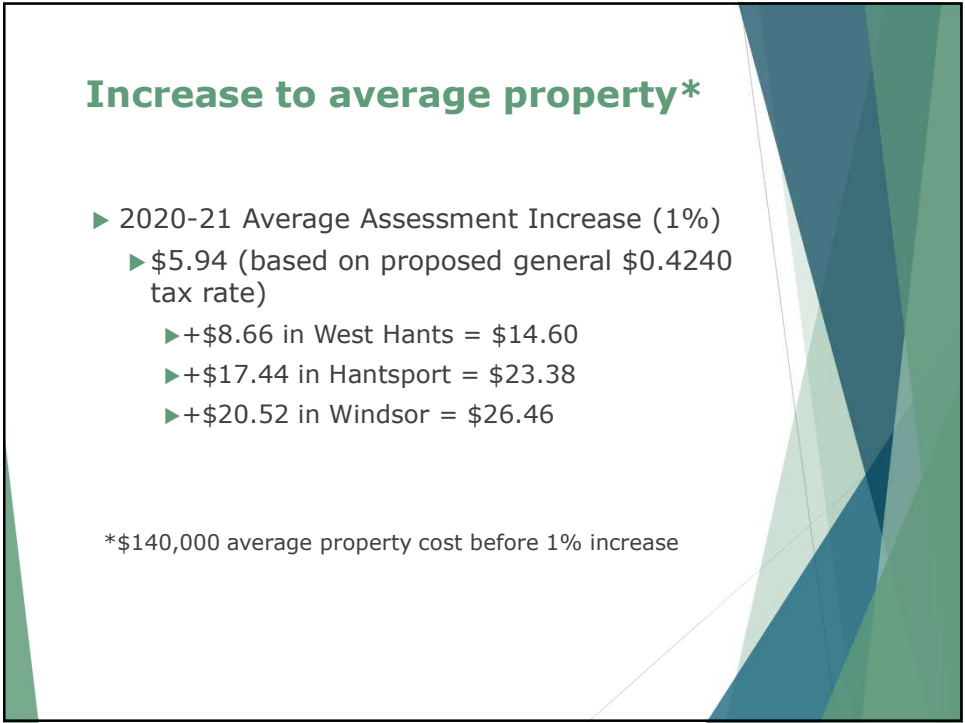
► Proposed General Residential Rate of \$0.4240

Rates	West Hants*	Hantsport*	Windsor*
General	\$0.4240	\$0.4240	\$0.4240
Area Rate	\$0.6183	\$1.246**	\$1.4660
Proposed Total	\$1.0423	\$1.67	\$1.89

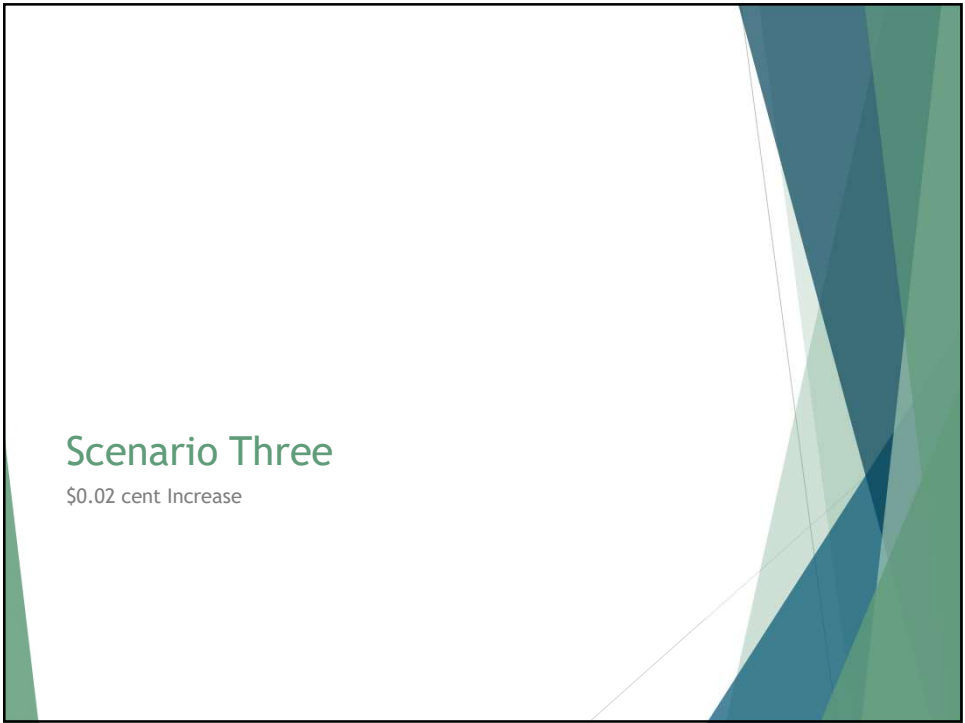
*per \$100 of assessed value
** Hantsport combined area rate with West Hants (\$0.6277 + \$0.6183)

\$0.01 increase from 2019-20

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Proposed Changes – Scenario 3

- ▶ Recognize 70% of forecast RCMP, in the operating budget.
 - ▶ As this is forecast, we can await the adjustment at year end to get actual amount and fund through reserves.
 - ▶ To ensure reserve balances are recouped it would be added to fiscal 2021-2022 operating budget, as a contribution to reserves.
- ▶ Less conservative on deed transfer tax from 70% to 80% (\$86,598)
- ▶ Increase in consolidation funding transfer by \$75,000
- ▶ Remainder from reserves
- ▶ Addition of consolidation employee contract debt servicing increase

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Proposed Changes – Scenario 3

	Originally Presented	Scenario 2	Difference
REVENUE			
TAXES	21,594,996	21,932,060	337,063
GRANTS IN LIEU OF TAXES	114,548	114,548	-
SERVICES PROVIDED TO OTHER GOVERNMENTS	1,085,044	1,085,044	-
SALES OF SERVICES	569,676	569,676	-
OTHER REVENUE FROM OWN SOURCES	697,216	697,216	-
UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS	557,223	557,223	-
CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVT. OR AGENCIES	98,637	98,637	-
CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS	117,520	117,520	-
TOTAL	24,834,860	25,171,924	337,063
EXPENSES			
GENERAL GOVERNMENT SERVICES	3,250,885	3,252,430	(1,545)
PROTECTIVE SERVICES	8,337,234	8,726,727	(389,493)
TRANSPORTATION	1,939,501	1,939,501	-
ENVIRONMENTAL HEALTH SERVICES	3,446,015	3,446,015	-
PUBLIC HEALTH SERVICES	155,344	155,344	-
ENVIRONMENTAL DEVELOPMENT SERVICES	1,002,594	1,002,594	-
RECREATION AND CULTURAL SERVICES	1,702,114	1,702,114	-
EDUCATION	4,683,280	4,683,280	-
EXTRAORDINARY OR SPECIAL ITEMS	-	-	-
Net Expenses	24,516,967	24,908,006	(391,038)
DEBTURE AND TERM LOAN PRINCIPAL INSTALLMENTS	1,503,017	1,526,242	(23,225)
NET TRANSFERS FROM (TO) OWN RESERVE, FUNDS AND AGENCIES	(1,185,124)	(1,262,324)	77,200
TOTAL	24,834,860	25,171,924	(337,063)

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Proposed Residential Tax Rate 2020-21

► Proposed General Residential Rate of \$0.4318

Rates	West Hants*	Hantsport*	Windsor*
General	\$0.4318	\$0.4318	\$0.4318
Area Rate	\$0.6205	\$1.2482**	\$1.4683
Proposed Total	\$1.0523	\$1.68	\$1.90

*per \$100 of assessed value
** Hantsport combined area rate with West Hants (\$0.6277 + \$0.6205)

\$0.02 increase from 2019-20

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Overview Scenario 3

Operating Revenues are down \$133,535

Operating Expenses are up \$1,886,200

- Constraints of Education Contribution of \$481,802, and RCMP contract of \$1,636,342

The net impact on operations is \$2,019,735

- Mitigated \$764,985 in operating budget through proposed changes
- Total transfer to maintain the tax rates \$1,254,750 (\$2,250 increase)
 - \$600,250 from West Hants operating reserve
 - \$654,500 from Windsor operating reserve

Total operating budget of \$25,171,924

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Overview Scenario 3

Operating Reserves are within 8% (or \$2.01 Million) of total operating revenue, as per reserve policy

- For a total balance of \$2,591,165 (\$2,250 decrease)
- \$1,650,340 West Hants projected operating reserve balances at March 31, 2021
- \$940,825 Windsor projected operating reserve balances at March 31, 2021

Total operating reserves \$3,486,004

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Increase to average property*

- ▶ 2020-21 Average Assessment Increase (1%)
 - ▶ \$6.04 (based on proposed general \$0.4318 tax rate)
 - ▶ +\$8.69 in West Hants = \$14.73
 - ▶ +\$17.48 in Hantsport = \$23.52
 - ▶ +\$20.56 in Windsor = \$26.60

*\$140,000 average property cost before 1% increase

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