

## COMMITTEE OF THE WHOLE MEETING (BUDGETS)

MAY 21, 2013

Location: Council Chambers, Municipal Office

Present: Warden S. Sampson, Councillor V. David,  
Councillor R. Samson, Deputy Warden A. Martell,  
Councillor S. McNamara, Councillor B. Marchand,  
Councillor G. Boucher, Councillor S. MacNeil,  
Councillor G. Johnson

Warden Sampson called the meeting to order at 7:00 p.m.

### Review of Draft Budget 2013-2014:

The CAO provided a brief overview of the draft 2013-2014 budget and noted the following:

- The loss of 1.4 million from the Port Hawkesbury Paper Mill was challenging
- Inflation rates have increased
- A 3 cent increase in the residential tax rate, along with a uniform increase in the commercial tax rate is recommended which will raise revenue by approximately \$300,000
- The in-house operating budget reflects a combined \$500,000 saving through increased revenue and reduced expenditures
- The use of reserve monies will be required
- A lower increase in tax rates will result in the use of more monies from the reserve account
- The gas tax monies are required to be spent by March 31, 2014 or the monies will be lost; a 1 year extension can be requested with monies already committed to capital projects
- Monies allocated to the capital budget do not affect the operating budget unless the operating budget is financing some of the capital cost

The Chief Financial Officer noted the following:

- \$500,000 has been recovered by increasing revenue and reducing expenses
- \$850,000 is still left to recover from the loss in tax revenue from the paper mill
- Inflation on government mandated services is approximately 5 percent
- A breakdown of anticipated increases for the average households was provided in the budget to reflect the 3 cent increase in residential taxes

- The loss in 1.4 million from the paper mill is approximately 10 percent of the overall budget

The following points were brought forth during discussion:

- A 3 cent increase in the residential tax rate is justified
- Some departments are aggressive, however, there are some budgeted items that may not be necessary
- Arrangement could potentially be made with some fire departments in District 10 to make compost available to the outskirts of the County
- It is unfair that the County is paying for RCMP protective services when they are not fully staffed
- The existing agreement with the paper mill is for 3 years, therefore, the County could be facing another hit in tax generated revenue after the tax agreement expired
- Currently there are no tipping fees for organics, however, this will change in order to offset costs associated with increased quantity of organics entering the facility
- A tax increase is necessary in order to maintain and improve the amount of services provided by the County
- The monthly tipping fees are approximately \$10,000. Overall metal and tipping fees generate approximately \$150,000 in revenue depending on scrap metal prices
- It is difficult to diversify revenue streams when cutting fees
- Further discussion is required before purchasing a dewatering truck
- Capital expenditures only affect the budget if funded through taxes
- The majority of the capital expenditures will be funded through the gas tax
- A resolution should be addressed at the fall UNSM regarding level of policing services that the County is paying for
- The CAO will do more research on the policing services fees and the number of months that maximum services were not provided
- The tax rate will reflect the amount of funds required from reserves
- The CAO will email a copy of the Director of Public Works report on tipping fees for review and can be discussed at the June 10<sup>th</sup>, 2013 Committee of the Whole Meeting

Moved by Councillor Johnson, seconded by Councillor McNamara that the Committee recommend to Council accept the recommendation of the Committee of the Whole and give approval to the municipal estimates of revenues and expenditures for the year ending March 31, 2014 in the amount of \$13,738,842 (copy of budget attached as Appendix "A");

AND FURTHER MOVED THAT WHEREAS pursuant to the Municipal Act, the Municipal Council of the Municipality of Richmond estimates that sums amounting to \$7,815,600 are required for the lawful purpose of the said Municipality for the year ending March 31, 2014, after crediting the probable revenue from all sources other than rates for the said year and making due allowance for the abatement and losses which may occur in the collection of the taxes and for taxes for the said year which may not be collectible or collected;

BE IT THEREFORE RESOLVED that Richmond Council hereby authorizes the levying and collection of a residential rate of .77¢ on each \$100 of the assessed value of residential property assessed on the assessment roll and a commercial rate of \$2.07; which rates said Council deems sufficient to raise the sums required to defray the expenditures of the said Municipality for this year, and any deficit from the preceding years;

AND BE IT FURTHER RESOLVED that Richmond Council hereby imposes an additional percentage charge of 18 percent per annum on all rates and taxes remaining unpaid;

AND BE IT FURTHER RESOLVED that Richmond Council hereby fixes the 30<sup>th</sup> day of September, 2013 as the day on which the Tax Collector or Treasurer may proceed to issue warrants for the collection of all rates and taxes then unpaid.

Motion carried.

Fifteen Minute Question Period

There were no comments from the gallery.

Adjournment

There being no further business Warden Sampson adjourned the meeting 9:10 p.m.

MINUTES RECORDED BY:

MUNICIPAL CLERK:

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\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
CHIEF ADMINISTRATIVE OFFICER